Matthew G. Bevin
Governor

COMMONWEALTH OF KENTUCKY

Don Parkinson
Interim 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

April 30, 2018   *VIA EMAIL AND U.S. MAIL*

Dr. Martin Pollio, Superintendent
Jefferson County Schools
3332 Newburg Road
P.O. Box 34020
Louisville, KY 40232
marty.pollio@jefferson.kyschools.us

Ms. Diane Porter, Board Chair
Jefferson County Board of Education
3332 Newburg Road
P.O. Box 34020
Louisville, KY 40232
diane.porter@jefferson.kyschools.us

RE: Management Audit Findings and Recommendation of State Management

Dr. Pollio and Board Chair Porter:

Since February 14, 2017, the Jefferson County Public Schools (JCPS) has undergone a
"management audit" pursuant to KRS 158.780, KRS 158.785 and 703 KAR 3:205. A
management audit of JCPS was required when the data and information reviewed after a six
month management review found the presence of critically ineffective or inefficient management
within JCPS (**Attachment 1**). On March 14, 2017, JCPS Superintendent Donna Hargens
responded in a 33 page letter (**Attachment 2**) indicating the management review findings did not
"represent the present reality," however Dr. Hargens stated that the district would "work
proactively with KDE" and "trust the process…" A management audit was conducted to
determine if "…there is a pattern of a significant lack of efficiency and effectiveness in the
governance or administration of a school district" (KRS 158.785).

OVERVIEW OF AUDIT PROCESS

Over the past year, the audit team, which included more than 50 Kentucky Department of
Education (KDE) staff or contractors, conducted more than 800 interviews of JCPS board

members, staff, teachers, students and community members and a review of thousands of pages of documents related to the management and operation of JCPS. An on-site review of the district occurred April 18-28, 2017, as well as a site visit April 25-26, 2018. Also, a nearly year-long investigation and analysis of the governance and administration of JCPS has taken place. Finally, reports and findings by other governmental agencies at the state and federal level have also informed the audit.

During the management audit process, former Commissioner Stephen Pruitt became alarmed with some of the initial findings of the audit team. He determined that some issues directly affecting students and federal funding were in need of immediate corrective action. As a result, on September 20, 2017, he issued a letter to JCPS that required corrective actions in the areas of career and technical education, implementation of the federal Individuals with Disabilities Education Act (IDEA) and the use of restraint and seclusion (**Attachment 3**). On October 31, 2017, then interim superintendent Dr. Marty Pollio responded to these issues in writing (**Attachment 4**) and identified several strategies to "leverage improvement districtwide." Since October 2017, with the support and guidance of KDE staff, JCPS has been implementing corrective action plans in these areas with fidelity. KDE has monitored the JCPS corrective actions through onsite monitoring visits (October 9, 2017, December 19, 2017, and February 16, 2018) and reviewing the status of deliverables through 30-60-90 day plans (**Attachments 5 and 6**).

The initial management review of JCPS included more than 30 items determined to be "significant deficiencies." While JCPS contested some of those deficiencies (**Attachment 2**), the resulting management audit process dove more in-depth into the initial deficiencies cited by the management review and broadened the scope to focus on the following areas:

- Planning
- Operational Support: Food Services, Transportation, and Facilities
- Operational Support: Financial Management
- Operational Support: Personnel Administration
- Instructional Management
- Physical Restraint and Seclusion of Students
- Implementation of IDEA
- Career and Technical Education
- Implementation of teacher certification requirements
- Implementation of Head Start
- Implementation of internal investigations
- Personnel Administration

Attached to this letter are the supporting summary documents for the conclusions and my recommendation, including an executive summary (**Attachment 7**), the full audit report of findings (**Attachment 8**), a report of findings specifically addressing requirements of the IDEA

and the use of restraint and seclusion (**Attachment 9**), a report of the Office of Education Accountability (OEA) regarding JCPS hiring practices for positions requiring certification (**Attachment 10**), a report of the U.S. Department of Health and Human Services regarding the operation of Head Start in JCPS (**Attachment 11**), and a JCPS commissioned report regarding the quality of internal district investigations (**Attachment 12**).

Other documents included with this letter that reveal information that is of great concern but that I did not rely on to support my conclusions and recommendation, include a report detailing concerns with the validity of achievement scores on state standardized examinations in JCPS (**Attachment 13**). This report, while not used as direct evidence for the conclusions of the audit, identifies issues of concern that must be addressed by the district and KDE.

Additionally, the district's performance on state standardized examinations over many years, at the district-level and in particular schools is unconscionable. A table illustrating district performance on those examinations, highlighting the incredible continuing racial/ethnic and socioeconomic achievement gaps is included as **Attachment 14**.

Finally, an analysis of the JCPS collective bargaining agreement for certified employees is ongoing and will be provided to the JCPS board on its completion.

RECOMMENDATION OF STATE MANAGEMENT

Based upon the audit findings, I have determined that the evidence **overwhelmingly supports the conclusion that there is a pattern of a significant lack of efficiency and effectiveness in the governance and administration of the JCPS. The evidence collected during the management review and audit establishes the following:**

> **(a) An existence of a pattern of a significant lack of efficiency and effectiveness in the governance or administration of JCPS;**
> **(b) The pattern of a significant lack of efficiency and effectiveness in the governance or administration of JCPS continues to exist; and**
> **(c) State management is necessary to correct the inefficiencies and ineffectiveness within JCPS.**

All of the areas audited contain numerous findings, which when taken together, show a pattern of significant lack of efficiency and effectiveness within JCPS (**Attachments 7-12**). These findings are summarized as follows:

> *Planning*

The comprehensive audit included an on-site review, investigation and analysis of the governance and administration of the school district. During this process, it was determined that there is not a protocol in place to ensure proper training and alignment of roles and

responsibilities of the JCPS administration and board members. There is not a district-wide formalized plan in place that focuses on two-way communication including horizontal and vertical internal communication which is consistent across all processes and work groups to support organization-wide goals. At the time of the onsite review in April 2017, the boundaries of the roles and responsibilities of the superintendent and the roles and responsibilities of the board members to a level of providing understanding for leadership in efficient operations was unclear. The work at central office was not always aligned with the mission and vision of the district due to organizational structure and a lack of clear communication. Cabinet-level leaders did not always clearly communicate with mid-level managers. Therefore, central office operations were not connected to the work going on in schools. During my April 2018 visit to the district, I determined that newly appointed Superintendent Dr. Martin Pollio, in the 10 months he has served as interim superintendent and now superintendent, has led the board and the district toward addressing many of the organizational coherence, communications, and culture deficiencies found during the April 2017 onsite review. These steps are significant and I am both hopeful and optimistic about the future, but deficiencies in the organization remain. While the board recently passed a promising reorganization plan which should address some identified deficiencies, this remedy is in the very early stages of implementation, with positions in the new organizational structure not yet filled. Given the district's documented pattern of inefficiency, ineffectiveness, and organizational coherence, even with Dr. Pollio's incredibly positive steps, I am not yet assured that the district will remedy these deficiencies on its own. Presently, there continues to be insufficient evidence of a culture that holds people accountable for their responsibilities across the district. The identified deficiencies establish a pattern of a significant lack of effectiveness and efficiency in the governance and administration of the school district in the area of planning. State management is necessary to correct the inefficiencies and ineffectiveness.

Operational Support

The audit process included an on-site review, investigation and analysis of the operations of the school district. The district cannot meet facility needs without additional funding. During the onsite review in April 2017, there was a clear lack of understanding among the members of the JCPS board regarding options to generate additional revenue. During my April 2018 visit, I determined that board members had greater awareness of regarding revenue options, but the district has not developed a plan to utilize current bonding capacity to address critical capital projects.

The district does not have a business continuity plan for facilities in the event one should become unusable. Likewise, the district does not maintain a business continuity plan for each bus compound and its fleet should that location become unusable. The district does not have a process in place to analyze bus routes (including double runs) for the most efficient and effective solution to the transportation challenges within JCPS.

The Student Assignment Plan presents challenges to transportation staff who manage the bus routing process. The guiding principles of the JCPS Student Assignment Plan are choice, quality, diversity, predictability, stability and equity. Based on interviews, choice and diversity are championed above the other principles. There is a significant impact on equity where the Student Assignment Plan serves some but not all students. The current plan has a distinct negative impact on the most vulnerable populations of JCPS students.

The JCPS board did not approve the 4% tax rate during the first year of the former Superintendent's tenure. According to the district's calculations, this negatively impacted the district's resources at the rate at $16 million per year and will continue to do so for every year after that. Had it been adopted, a portion of this would have been restricted for facilities.

The JCPS board has not adopted an additional "nickel" tax to address aging facilities. Interviews during the April 2017 onsite review indicated an apparent lack of understanding about the current bonding potential of the district to address facility needs. The chief financial officer (CFO) reported that the district currently has a bonding potential of $125 million of which only $55 million is used. During my April 2018 visit, board members showed greater understanding of the nickel tax, with some board members expressing a willingness to consider it in the future; but there does not yet appear to be a plan for generating additional revenue to address some of the district's pressing capital needs.

The deficiencies identified establish a pattern of a significant lack of effectiveness and efficiency in the area of operational support in the district. State management is necessary to correct the inefficiencies and ineffectiveness.

Instructional Management

There is inconsistency in the district's approach in working with school leaders to ensure equity and rigor through the use of the district curriculum. There is a lack of consistency across the district in data analysis to guide instruction. These inconsistencies, as well as other factors cited repeatedly in successive diagnostic reviews of the past eight years (e.g., teacher contract, lack of intentional district supports) have led to the large number of low-performing schools in the district. The identified deficiencies establish a pattern of a significant lack of effectiveness and efficiency in the area of instructional management. The results of that lack of effectiveness and efficiency is most clearly illustrated with the district's performance on state assessments, including incredibly large and in some cases widening socioeconomic and racial/ethnic achievement gaps. State management is necessary to correct the inefficiencies and ineffectiveness.

Physical Restraint and Seclusion of Students

JCPS has a history of inconsistent implementation of appropriate board policies, data collection and reporting regarding the inappropriate use of physical restraint and seclusion. In addition,

there is a pattern of a significant lack of efficiency and effectiveness in the implementation and enforcement of *704 KAR 7:160, The Use of Physical Restraint and Seclusion in Public Schools*. Since September 2017, the district has worked and continues to work closely with KDE to fulfill the requirements of its Corrective Action Plan, which resulted from the early findings of the audit. However, with the historically high rate of staff turnover in JCPS, new program administrators overseeing the use of physical restraint and seclusion, and continued development of new procedures and processes, it is in the best interest of the students and staff in JCPS for KDE to provide oversight throughout this time of corrective action and growth. It is absolutely critical that the assistance currently being provided by KDE through the Corrective Action Plan continues via formal state management to ensure that inefficiencies and ineffectiveness are corrected systematically.

Implementation of IDEA

Just as the KDE has general supervision responsibility under the IDEA to ensure all school districts within the state comply with the IDEA, JCPS has the responsibility to require its schools to fulfil the requirements of the IDEA. Over the years, several evidence-based professional learning activities have been provided across JCPS; however, the implementation, support and evaluation of such practices is ineffective or nonexistent. During the management audit, KDE's Division of Learning Services substantiated findings of noncompliance under the IDEA in the following areas:

- Collection and analysis of student data
- Significant disproportionality
- Positive Behavioral Interventions and Supports (PBIS)
- Continuum of educational settings
- Disciplinary procedures
- Admissions and Release Committee process
- Child Find
- Supplemental aids and supports, related services and program modifications/supports for school personnel

Additionally, the KDE chooses to use a significant portion of its State Set-Aside funds allocated under Part B of the IDEA to fund a Special Education Division (co-op) in each of state's regional educational cooperatives. While funding for these special education divisions is typically based on the inclusion of multiple school districts within the regional educational cooperative, the KDE determined the needs of Jefferson County to be so unique given its size and demographics, it was not reasonable to include it with other districts in a regional network. However, because IDEA funding requirements set limitations around the use of these funds for individual districts, KDE included the Kentucky School for the Blind (KSB) in the Jefferson County special education cooperative due to its close proximity, being located within the district. Due to the co-mingling of staff and funding streams, it is difficult for the Jefferson County special education cooperative to provide effective leadership and specialized services to assist the district with meeting the full

educational opportunity for all children with disabilities, aged 3 to 21. Without being able to determine how cooperative funds are being used in Jefferson County or what services are being provided to the district, the cooperative is not fulfilling the requirements of its Proposal for *Kentucky Regional Educational Cooperatives* to receive federal funds under *Part B of the IDEA.*

These issues are not new to the district. During the 2013-14 school year, JCPS received extensive training in PBIS because of an IDEA State Performance Plan Indicator 4B Corrective Action Plan (CAP). The CAP was a result of multi-year violations of federal law, prohibiting significant discrepancy by race or ethnicity, in the rate of suspensions and expulsions of greater than 10 days in a school year for children with Individual Education Programs (IEPs). Since the release of the CAP, the number of suspensions in JCPS increased and there is no evidence to indicate JCPS continued ongoing training and coaching in this area. In January, 2018 JCPS again received notification of noncompliance for Indicator 4B based on data collected during the 2015-16 school year. The cited violations included significant discrepancy due to district practices related to discipline, which do not comply with the IDEA in areas related to PBIS, conducting functional behavioral assessments, implementation of behavior intervention plans, and procedural safeguards including manifestation determination procedures. The district is under a CAP to remedy these areas of noncompliance.

Additionally, for six of the last seven school years (2011-12 through 2017-18), JCPS has been required to provide Coordinated Early Intervening Services (CEIS) due to significant disproportionality related to disciplinary removals of African American students with IEPs. Discipline problems have caused the district to violate the IDEA and forced millions of IDEA dollars to be set aside for CEIS since 2010; yet, central office administrators were unable to explain how CEIS funds were being used.

There is evidence to support the existence of a pattern of a significant lack of efficiency and effectiveness in the implementation of the IDEA; therefore, I believe JCPS is incapable of remedying these deficiencies without substantial and ongoing state intervention. It is critical that the intervention currently being provided by KDE through the Corrective Action Plan continues via formal state management to ensure that the inefficiencies and ineffectiveness are systematically corrected.

Career and Technical Education

There are inaccuracies in federal and state data reporting concerning Career and Technical Education. There are inaccuracies in the documentation of career pathways. School-level CTE staff are not identified and/or identified staff do not have the knowledge and/or authority to implement the CTE program with fidelity. These issues are not just ones of compliance, but also impact the ability of the district to continue to qualify for federal funds.

While the district is in the process of implementing a Corrective Action Plan in this area based on early audit findings, there is evidence to support the existence of a pattern of a significant lack of efficiency and effectiveness in the implementation of Career and Technical Education within JCPS. I believe JCPS will be unable to remedy these deficiencies without state intervention. It is critical that the intervention currently being provided by KDE through the Corrective Action Plan continues via formal state management to ensure that inefficiencies and ineffectiveness are systematically corrected.

Implementation of teacher certification requirements

On August 4, 2017, the Legislative Research Commission's Office of Education Accountability (OEA) issued a final investigative report (**Attachment 10**) finding that "Superintendent Hargens and her designees violated KRS 161.020 by permitting noncertified staff to supervise and instruct students in the district during the instructional day." The findings in the OEA report are particularly concerning because the district implemented an elaborate process to place non-certified "instructors" in positions requiring certification by the Kentucky Educational Professional Standards Board (EPSB). This process circumvented the legal process by which teachers in Kentucky public schools obtain licensure and certification to ensure that they are qualified to teach specific grade spans and subject areas, in addition to circumventing the EPSB ethics, licensure suspension and revocation processes. KRS 161.048 and EPSB regulations generously allow for licensure and certification for individuals in a field other than education and that have exceptional work experiences. Instead, it appears that JCPS implemented a process parallel to EPSB and the requirements to which all other school districts must adhere. In response to OEA, former Superintendent Hargens denied responsibility in that she did "not deal with schedules or location assignments of personnel."

While Superintendent Hargens is no longer with the district, OEA concluded that such deficiencies are systemic in the district, with practices predating Superintendent Hargens tenure. There is evidence to support the existence of a pattern of a significant lack of efficiency and effectiveness in the implementation of teacher certification and hiring requirements within JCPS. It is essential that state intervention is used to ensure systems and corrective actions have been implemented and are maintained to prevent future violations of Kentucky law and to ensure that all JCPS classes are led by appropriately certified personnel.

Implementation of Head Start

On August 24, 2017, the United States Department of Health and Human Services, Administration for Children and Families, Office of Head Start (HHS), issued findings regarding the operation of Head Start programs by JCPS (**Attachment 11**). The findings included summaries of more than 20 incidents that resulted in the following deficiency determinations:

> The grantee did not ensure all staff abided by the program's standards of conduct refraining from maltreatment of or endangering the health and safety of children,

including at a minimum, staff did not engage in corporal punishment, use emotional or physical abuse, or humiliation; and employ methods of discipline that involved isolation, the use of food as punishment or reward, or the denial of basic needs. The grantee had 13 incident reports of staff not abiding by the standards of conduct from October 2016 through May 2017.

...

The grantee did not ensure children were not left alone or unsupervised while under the care of staff. Three incidents of children being left unsupervised were reported since January 18, 2017.

...

The grantee did not establish and maintain efficient and effective reporting systems that generate official reports for federal, state, and local authorities, as required by applicable law. Seven incidents of staff not abiding by the standards of conduct were reported to the regional office more than three days after the incidents occurred. All seven incidents were reported to licensing and other agencies as required.

There is evidence to support the existence of a pattern of a significant lack of efficiency and effectiveness in the implementation of Head Start programs within JCPS. The deficiencies cited by HHS are similar to issues raised in other areas of this audit, including planning, restraint and seclusion and IDEA. As a result, it is essential that state intervention is used to ensure systems and corrective actions are maintained to prevent future violations of federal law and to ensure that all children in the care of JCPS are educated in a safe and nurturing environment.

Implementation of internal investigations

During the audit, KDE was made aware of a JCPS commissioned report from October 2016 regarding the adequacy of internal JCPS investigations of physical restraints of students by the JCPS Office of Compliance and Investigations (OCI) (**Attachment 12**). This report was prepared by a Kentucky private investigation firm and addressed to counsel for JCPS. This report was made public on January 3, 2018 by the Kentucky Center for Investigative Reporting and is now in the public domain.

The investigator's findings greatly concern me. The investigative report states in part:

The review I conducted of over 35 OCI investigative reports depicts a consistent pattern of a multitude of deficiencies. In many instances these investigative defects materially affected the conclusion drawn by the investigator. Therefore, in some instances, JCPS was unable to take appropriate disciplinary action due to the poor investigative effort. (Emphasis in original.)

...

In some instances, OCI's inability to draw a proper conclusion resulted in no or inadequate disciplinary action taken against employees who engaged in various violations concerning the verbal and/or physical abuse of students.

...

It is unquestionable that JCPS needs to make major changes in the manner in which allegations concerning teachers abusing students are investigated and reported.

There is evidence to support the existence of a pattern of a significant lack of efficiency and effectiveness in the implementation of internal investigations within JCPS. The deficiencies cited by an outside investigator are similar to issues raised in other areas of this audit, including planning, restraint and seclusion, and IDEA. As a result, it is essential that state intervention is used to ensure systems are in place to thoroughly investigate inappropriate and illegal actions of staff interactions with students, and that the findings are used to discipline and remove staff where appropriate.

Personnel Administration

There is evidence to support the existence of a pattern of a significant lack of efficiency and effectiveness in ensuring school district staff are prepared to perform the required professional and staff responsibilities in an effective and efficient manner. That failure is most clearly manifested in a failure of the district to ensure that staff are appropriately trained in key safety areas, including but not limited to, restraint and seclusion, compliance with federal and state laws, and effective delivery of instruction. For example, interviews with senior district leadership staff revealed that a lack of time for staff professional development resulting from provisions of the JCTA contract is a significant barrier to the improvement and effectiveness of staff.

Pattern of a significant lack of efficiency and effectiveness

Finally, the evidence summarized above reveals a pattern in the district that perpetuates many of these issues and that systems needed to consistently address inefficiencies and ineffectiveness are either in their infancy or do not exist. The following statement contained in the audit report is an example of this pattern of inefficiency and ineffectiveness and is a cause for great concern in the state's largest school district:

Stakeholder interviews revealed limited evidence that the policies and procedures work together for the goals of the school district/student achievement. There is no formal process to analyze whether policies, procedures, programs and staffing allocations to support school needs are having an impact on the goals of school district/student achievement. (**Attachment 8, page 33**).

Pursuant to KRS 158.780, KRS 158.785 and 703 KAR 3:205, as a result of the overwhelming evidence summarized in Attachments 7-12 and in the interest of protecting every child in every school in the district and ensuring that each child in the district has the opportunity to receive a high quality education, I recommend that the Kentucky Board of Education (KBE) declare JCPS a state-managed district.

OTHER ISSUES OF CONCERN

Several additional concerns must be explored further with the district's leadership during state management.

Anomalies in state testing

I am alarmed with preliminary findings, using statistical data from a national testing analytics company on subcontract with KDE, that JCPS is overrepresented with certain outliers in state testing results. Even considering the large size of JCPS, the district is heavily overrepresented for potential testing improprieties when compared with other districts. While representing about 12% of all K-PREP tests administered in Kentucky, since 2013, JCPS has accounted for 46% of the K-Prep grade-subject test groups (e.g., 3rd grade reading, 4th grade mathematics, etc.) identified for potential testing improprieties. The next four largest districts, combined, accounted for only 9% of identified grade-subject test groups. Not only is JCPS overrepresented, when testing anomalies are assigned a numerical value based on the probability a testing anomaly occurred naturally (i.e., the likelihood there was a testing impropriety), JCPS also is responsible for some of the highest ranked threats. On average, JCPS constituted 72% of the grade-subject test groups identified in the top ten most anomalous grade-subject test groups yearly since 2013 **(Attachment 13)**.

As concluded in the memorandum provided **(Attachment 13)**:

> ...for purposes of interpretation, the data presented to KDE indicates the natural occurrence of erasure anomalies on the K-PREP Reading and Math in JCPS is virtually impossible. The data indicates the security of the K-PREP test has been compromised, and there is exceptionally strong reason to believe that answers are being inappropriately changed, although by currently undetermined sources. The school and classroom level data in JCPS is comparable to that of some of the highest instances of cheating in the Atlanta Public Schools scandal, which resulted in the conviction of eleven teachers, testing coordinators, and administrators, for federal racketeering charges.

KDE will continue to rigorously investigate this issue during state management, and a KDE team will provide onsite monitoring to specifically selected schools during testing windows this year and in the future.

Bargained Contract

Former KDE Commissioner Pruitt attempted over the past nine months to utilize the services of a legal expert to analyze the contract between JCPS and the Jefferson County Teachers Association (JCTA). KDE staff have reported that this review has been frustrated and delayed due to lack of qualified responses to the requests for proposals (RFPs) and now due to delays in the ability of the selected expert to contract with the Commonwealth. I will ensure that this review is completed.

The purpose of this review is to determine whether any systemic issues identified in the audit can be addressed by renegotiated provisions of future contracts with JCTA. The analysis will be used during state management to inform contract negotiations. It is essential that any future bargained contract reflect systemic changes that have begun or that will take place as a result of state management. Any bargained contract must enhance, not inhibit, the ability of the district to deliver quality educational services to all students; provide needed professional development to district staff; hold district staff accountable for illegal, unethical, or unprofessional behavior; and attract and retain high quality staff in struggling schools. These are all areas of concern with the JCTA contract noted by senior district staff during the audit.

STATUS OF CURRENT CORRECTIVE ACTIONS

Since corrective action began in October 2017 as a result of early findings of the audit, Superintendent Pollio and his leadership team have fully engaged in the development of 30-60-90 day plans (**Attachment 6**) and have ensured that findings are being addressed and monitored over time. That work is about both legal compliance and building district-wide capacity and systems of support for students that can be sustained over time. The district also is showing leadership by seeking feedback from national experts. The recent Council of the Great City Schools organizational review of JCPS (March 2018) confirms many of the findings in this audit.

Under the leadership of Dr. Pollio, the district has shown willingness to engage KDE to advance student achievement in JCPS. With Dr. Pollio's leadership the board recently adopted a central office reorganization based on models from successful urban districts. He is now hiring to fill vacancies in the district's new organizational structure.

While areas of operational support have not been addressed in the Correction Action Plan, and there is a need for further action, the district shows progress in the area of facilities management. In March 2017, JCPS had approximately $125,000,000 in bonding capacity, compared with $284,450,000 in March 2018. This increase can be primarily attributed to additional School Facilities Construction Commission (SFCC) funds available to the district and the reduction in debt service payments. The KBE approved a district facility plan for JCPS in June 2017 that included new construction and a substantial number of renovations to existing facilities. To date in FY2017-18, KDE has received 41 projects from JCPS with anticipated expenditures of

$65,500,000. This is increased activity by the district compared to prior fiscal years in the area of facilities.

I am both encouraged and optimistic about the direction of the district under Dr. Pollio's leadership. In a short period of time, he has demonstrated urgency and a willingness to engage KDE and other groups and resources to begin the process of improving the management, governance, and performance of the district. With that said, the findings of this audit clearly show a system with deep-seated organizational and culture challenges. No leader alone, and no leader in a short period of time, would be able to even begin to address the many very concerning problems identified in this audit. The current state of JCPS is not the fault of any one leader or group. Instead, under the leadership of many and over a long period of time, serious challenges emerged and in many cases were permitted to fester. The nature of the challenges in JCPS are such that transformation will require years of dedicated and consistent district leadership, significant intervention on the part of KDE, and making oftentimes difficult management and governance decisions that put the safety and well-being of children first, at all costs. To that end, I would be derelict in my responsibility as interim commissioner and chief state school officer if I made a decision about the results of this audit based on good faith, and not on the clear and consistent findings of the audit which reveal a district where the well-being of some children has often been neglected. As such, even with the progress JCPS has made over the last ten months, my recommendation to the KBE is that JCPS be declared a state managed district.

OVERVIEW OF STATE MANAGEMENT

Pursuant to KRS 158.785 (7) and (8), the following actions are required to be implemented during state management:

> (7) If the state board designates a district a "state managed district" under subsection (4) of this section, the following actions shall be required of the chief state school officer:
>
> (a) 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.
> (b) Any local school board member or the local superintendent may be removed from office by the Kentucky Board of Education pursuant to KRS 156.132.
> (c) Notwithstanding any statute to the contrary, after thirty (30) days after a district becomes a "state managed district" any appointment to an administrative position may be revoked by the chief state school officer and the individual employee may be reassigned to any duty for which that person is qualified. The chief state school officer shall provide to the reassigned employee written reasons for the reassignment. The individual shall not be dismissed from subsequent employment except as provided by KRS 156.132 and 161.790.

(d) The chief state school officer shall make the administrative appointments as necessary to exercise full and complete control of all aspects of the management of the district. The chief state school officer, through the appointments, may make any and all decisions previously made by the local school board and the local superintendent. The chief state school officer shall retain clear supervisory and monitoring powers over the operation and management of the district.

(8) A school district shall be designated as a "state managed district" until the Kentucky Board of Education determines that the pattern of ineffective and inefficient governance or administration and the specific deficiencies determined by the management audit have been corrected. Each year following the school year in which the designation of a "state managed district" was made, the chief state school officer shall report the status of the corrective action being taken to the Kentucky Board of Education. No local school district shall remain in the status of a "state managed district" longer than three (3) consecutive school years unless the Kentucky Board of Education extends the time after a complete review of a new management audit. Any judicial review of actions taken by the chief state school officer or the board under KRS 158.780 or this section shall be in accordance with the provisions for conducting judicial review of administrative hearings outlined in KRS Chapter 13B.

I give you my unqualified commitment to work collaboratively with the superintendent and local board chair during the state management period and thereafter. Ensuring that every child in every school in JCPS is protected and served well is my first priority. The findings of the audit make it clear that for some time many children in JCPS have neither been protected nor served well. I am confident that we can work together under the state management model to create and implement needed systems for compliance, monitoring, and continuous improvement; make needed systemic reforms in the district; and increase the district's capacity to self-monitor, self-regulate, and identify and support struggling school before state intervention is required.

To that end, during the period of state management, I do not intend to hire a state manager. I intend to delegate authority for the daily operation of the district to the district superintendent, Dr. Martin Pollio. I will require that Dr. Pollio meet weekly for monitoring purposes with Associate Commissioner Kelly Foster. As the district makes progress on implementing all aspects of the corrective plan with fidelity, monitoring touchpoints with Dr. Foster will become less frequent. However, if the district fails to make adequate progress on all aspects of the corrective action plan, I will require more intensive monitoring, and if needed, delegate some or all the authority for district operations to Dr. Foster or a state manager.

During the period of state management, I have no intention of removing elected members of the local board of education. I will ask that the local board continue to meet and function in an advisory capacity to Dr. Pollio and to me.

Pursuant to KRS 158.785, I will make a first formal report to the Kentucky Board of Education on the district's progress under state management following the 2018-19 academic year, and

provided JCPS has worked collaboratively with KDE and is implementing all aspects of the corrective action plan with fidelity, I will recommend to the Kentucky Board of Education that the district exit state management and be declared "state assisted." Pursuant to 703 KAR 3:205, the district would then remain a state assisted district until the chief state school officer recommends and the Kentucky Board of Education determines that sufficient progress has been made.

A KDE cross-agency team, under the guidance of Dr. Foster, will assist the district to develop and implement a plan to correct deficiencies found in the management audit. One individual will be assigned to specifically focus upon governance, structure and systems. A second individual will be assigned to work with the most struggling schools in JCPS. Additional support persons will be utilized as needed.

Pursuant to 703 KAR 3:205, the plan is subject to the approval of the KBE. KDE shall monitor the implementation of the plan to improve deficiencies in the following areas:

- Planning;
- Operational Support;
- Instructional Management;
- Physical Restraint and Seclusion;
- IDEA;
- Career and Technical Education;
- Teacher Certification Requirements;
- Head Start;
- Personnel Administration; and
- Internal Investigations.

KDE staff will assist the district in understanding the root cause of each deficiency, and identifying the strategies and/or professional development needed to develop a systematic approach to address each deficiency.

STATEMENT OF APPEAL RIGHTS

By copy of this letter, I will file the recommendation of state management with the KBE. Pursuant to KRS 158.780, KRS 158.785 and 703 KAR 3:205, the Jefferson County Board of Education has the right to a hearing on the matter before the KBE. The hearing procedures established in KRS Chapter 13B apply to this hearing. The hearing will be open to the public. A hearing officer from the Office of Attorney General shall coordinate the hearing schedule and preside over the hearing for purposes of ruling on procedural issues. However, at least a quorum of the KBE will sit for the hearing as "agency head" and will vote "en banc" to approve or not

approve the recommendation of state management. The hearing officer will prepare a final order based upon the deliberation and conclusions of a majority of the KBE.

In the alternative and pursuant to 703 KAR 3:205 Section 3(4), the Jefferson County Board of Education may choose to agree with the recommendation of state management and waive the right to participate in the hearing before the KBE. In that case, I will place the matter before the KBE at a special or regular meeting, and the KBE will vote to approve or not approve the recommendation of state management. A final order will then be issued based upon the conclusion of a majority of the KBE.

Please use the attached form to designate whether a hearing is requested or if the district is waiving a formal hearing of this matter. A response is requested on or before May 30, 2018. After receipt of the decision of the local board, a scheduling order will be issued for the hearing or for the date of review by the KBE if the hearing is waived.

I look forward to working together to ensure that every child in every JCPS school has the opportunity to receive a high quality education in a safe and nurturing school environment.

Respectfully,

Wayne D. Lewis, Jr., Ph.D.
Interim Commissioner of Education
Commonwealth of Kentucky

Enclosures

Cc: Members of the Jefferson County Board of Education
        Members of the Kentucky Board of Education
        KDE Planning Committee
        Mayor Greg Fischer

Jefferson County Management Audit Report

Per KRS 158.785

Prepared for

Kentucky Interim Commissioner Dr. Wayne D. Lewis, Jr.

Kentucky Department of Education Staff

April 2018

April, 2018	
KRS 158.780 158.785	**Management Audit Report**

School District	Jefferson County Public Schools	
Superintendent	Dr. Donna Hargens, during April 2017 onsite review; Dr. Martin Pollio, during April 2018 visit	
Board Chair	Chris Brady, at time of April 2017 onsite review; Diane Porter, at time of April 2018 visit	
Date of On Site Visit	April 18-21, 24-28, 2017 April 25-26, 2018	877 Interviews
Management Review Team	Kelly Foster, Cassie Blausey, Hiren Desai, Julia Rawlings, Susan Greer, Todd Tucker, Mike Murphy, Tony Watts, Charlotte Jones, Felicia Bond, Kim Cornett, Carolyn Spangler, Sam Watkins, Shawn Johnson, Gretta Hylton, Sammie Lambert, Jackie Rogers, Pam Wininger, James-Etta Goodloe, Jennifer Baker, David Millanti, Kyle Lee, Jamie Sparks, Gary Martin, Jamee Barton, Todd Davis, Sally Shepherd, Debbie Mays, Roger Lacy, Robin Linton, Yaho Radder, Lori Shepherd, Sylvia Starkey, Veronica Sullivan, Erma White, Karla Miller, Chris Thacker, Joe McCowan, Robert Meacham, Mike Waford, Jeff Coles, Donna Meers, Traci Branstutter, Kay Kennedy, Gail Binder, LaTonya Bell, Steve Lyles, Gail Cox, Gary Leist, Elisa Hanley, Nicole Vanover, Jackie Chism, Roger Kerns, James Bauman, Krystal Downey, Kim Carter, Chuck Fletcher, Kylie Whitaker, Claude Christian, Helen Jones, Karla Tipton, Robin Kinney, Wayne Lewis	

Regulation 703 KAR 3:205, Section 2 (a)	Findings
Planning – failure to develop, adopt and implement planning processes that allow for public review and timely action by the board and administration regarding management of the administrative and business activities of the school district and of the management of the instructional program	There is not a protocol in place to ensure proper training and alignment of responsibilities and roles of members. A process must be developed, implemented, and monitored for improvement of board effectiveness. There is not a district-wide formalized plan in place that focuses on two-way communication including horizontal and vertical internal communication which is harmonized across all processes and work groups to support organization-wide goals. The boundaries of the roles and responsibilities of the Superintendent and the roles and responsibilities of the Board Members to a level of providing understanding for leadership in efficient operations is unclear. The work at Central Office is not always aligned with the mission and vision of the district due to a lack of clear communication. Interviews indicate that mid-level management are not always clearly communicated to by Cabinet level

	leaders. Therefore Central Office operations are not connected to the work going on in schools

(b) Operational support - failure to provide the operational support services required to operate an efficient and effective school system including:

1. Maintenance and operation of the physical plants - failure of the district to maintain school building cleanliness and safety including:

Regulation 703 KAR 3:205, Section 2 (b)	Findings
Failure to develop and maintain an accurate record of the maintenance needs and expenditures	The Audit Review Team did not find areas of non-compliance.
Failure to budget and expend funds necessary to maintain the physical plant	The district has not developed a plan to utilize current bonding capacity to address critical capital projects. There is little to no evidence that the district has a sense of urgency to overcome the documented needs. The district has not budgeted money to meet facility needs. The budget is relatively unchanged over time and not based on maintenance and operational needs. This has put the facility department in a largely reactive mode, rather than proactively addressing facility needs.
Failure to employ maintenance and operation staff who provide clean and safe school buildings.	System processes appear to be functional. However, without proper inputs (personnel, budgets), the processes will not work to full effectiveness. For example, some schools report they additional custodial staff.
Failure to make efficient use of personnel as indicate by excessive staffing when compared to school districts of similar size and funding.	Should the Superintendent and Board of Education acquire the funding to seriously address the outstanding facility need, the present organization and staffing levels will need to be analyzed. Several schools indicate that custodial staffing is inadequate to provide a safe, functional, and clean facility. Employee turnover is high and maintaining an

	adequate staff is difficult at most schools observed. Schools obtain their employees from a limited pool of applicants provided by Central Office. Additionally, substitute custodians were viewed as virtually impossible to obtain. Schools which are suffering from overcrowding are greatly impacted by an inadequate number of custodial staff.
Failure to make repairs that prevent costly and unnecessary maintenance expenditures.	The district has not displayed the urgency to develop and communicate a plan to utilize current bonding capacity to address critical capital projects.
Failure to ensure that existing facilities are adequately insured	The district does not have a business continuity plan for all operational sites in place in case a facility becomes unusable.

(b) Operations

2. **Facility construction** - failure to manage a school facility construction program that is in compliance with 702 KAR Chapter 4 and is planned, executed, and completed to ensure that public funds are expended in a responsible manner including a failure to:

Regulation 703 KAR 3:205, Section 2 (b)	Findings
Develop and implement a planning process for identifying the need for new or improved facilities	The district cannot meet facility needs without additional funding. Based on interviews, there is a lack of understanding among the Board Members regarding options to generate additional revenue.
Maintain an up-to-date facility survey or ensure that regulatory approvals are secured.	The Audit Review Team did not find areas of non-compliance.
Develop and implement plans to receive the allowable benefit from School Facilities Construction Commission.	The Audit Review Team did not find areas of non-compliance.
Follow proper bidding requirements and develop and maintain accurate records of expenditures and authorization of expenditures on school construction projects	The Audit Review Team did not find areas of non-compliance.

Institute an administrative oversight process to ensure that facility construction activities are efficient and accountable for both local and state funds.	The district has not developed a plan to utilize current bonding capacity to address critical capital projects. There is no evidence of a work plan to prioritize and complete the projects identified by Central Office Facilities staff and listed in the DFP.

b) Operations

3. Maintenance and operation of the transportation system to provide and maintain an efficient transportation system including a failure to:

Regulation 703 KAR 3:205, Section 2 (b)	Findings
Provide training for personnel responsible for the safe transportation of children in accordance with Kentucky Board of Education administrative regulations	The district does not have a process in place to review their bus monitor allocation to determine the number of staff required to ensure student safety. The district does not have a process in place for the transportation department to provide more in-depth pupil management and de-escalation training over the course of the school year. There is not a district-wide process or policy to consistently address bus discipline and appropriate consequences. There is not a district-wide process to share pertinent student behavior information (issues and triggers) with bus drivers to promote consistency in behavior solutions as well as to ensure the safety of all students being transported. The district does not have a process in place to ensure school administrators are correctly documenting 'bus' suspension versus 'school' suspension.

	District transportation staff does not have a process to observe and assess school level transportation practices that impact student safety. The district does not have a business continuity plan for facilities in the event one should become unusable. Likewise, the district does not maintain a business continuity plan for each bus compound and its fleet should that location become unusable. Based on interviews, there is a concern from some drivers that some special needs students with behavioral intervention plans are being transported with other special needs students with fragile health conditions. This poses a safety hazard for the fragile students. Aides assigned to the fragile students are spending time monitoring the students with behavior problems rather than the fragile students to whom they are assigned. Drivers frequently change routes due to the bidding process available to them for more hours.
Develop and implement policies and procedures regarding the use of district-owned vehicles	The Audit Review Team did not find areas of non-compliance.
Purchase and maintain equipment to safely and efficiently transport children to school	The Audit Review Team did not find areas of non-compliance.
Establish transportation routes that minimize public expenditure and time children spend in route to school.	The district does not have a process in place to analyze bus routes (including double runs) for the most efficient and effective solution to the transportation challenges within JCPS. The Student Assignment Plan presents challenges to transportation staff who manage the bus routing process. The guiding principles of the JCPS Student Assignment Plan are choice, quality, diversity, predictability, stability, and equity. Based on interviews, choice and diversity are championed above the other principles. There is a

	significant impact on equity where the Student Assignment Plan serves some but not all. It has a distinct negative impact on the most at-risk JCPS students.
Follow bidding requirements for the purchase of equipment and materials necessary to conduct the school's transportation program.	The Audit Review Team did not find areas of non-compliance.

b) Operations

4.**School food services** - failure to develop an efficient system of school food services including a failure to

Regulation 703 KAR 3:205, Section 2 (b)	Findings
Develop and maintain an accurate record of school expenditures	The district did not have a process for measuring compliance for non-program revenue. During the USDA onsite review it was observed that kitchen staff were removing garbage and cleaning the dining facility. These are items covered in the indirect cost pool. The garbage removal and cleaning of the dining facilities cannot be done by food service staff.
Utilize federal and local resources to operate a nutritious program in a cost effective manner.	Based on interviews there is no business continuity plan should the Central Kitchen facility become unusable due to a disaster. The Food Service program does not operate in the black at all schools, but overall, the program is self-sufficient.
Employ school food service staff who provide meals in accordance With federal and state guidelines.	The Audit Review Team did not find areas of non-compliance.
Make efficient use of personnel as indicated by excessive staffing when compared to school districts of similar size and funding	The district does not have a process to ensure the proper segregation of duties when it comes to custodial care of the kitchen and the lunchroom that will consistently support the use of Indirect Cost.
(c) Fiscal management – DISTRICT Level failure to perform the appropriate planning, budgeting, fund management, and accounting responsibilities required for the fiscal management of the school district including a failure to:	
Regulation 703 KAR 3:205, Section 2 (c)	Findings

| Assess the need for expenditures. | The Board did not approve the 4% tax rate during the first year of the former Superintendent's tenure. According to the district's calculations, this negatively impacted the district's resources at the rate at $16 Million per year and will continue to do so for every year thereafter. Had it been adopted, a portion of this would have been restricted for facilities.

JCPS is one of only 14 districts in the state of Kentucky that has not adopted a utility tax. Consequently, it has foregone this additional revenue stream on an annual basis.

The Board has not adopted an additional nickel tax to address aging facilities.

Interviews indicate there is an apparent lack of understanding about the current bonding potential of the district to address facility needs. The CFO reported that the district currently has a bonding potential of $125 Million of which only $55 Million is utilized.

Based on interviews, there is an apparent lack of understanding on the part of some board members regarding the legal requirements for acquisition of land.

As evidenced by Board policy 04.3111, the Board is to receive and approve a listing of invoices on the "Orders of the Treasurer Report". Except for situations requiring subsequent Board approval, the Treasurer is to receive a Board-approved and signed "Orders of the Treasurer Report" prior to issuance of checks. The monthly Board documents reflect that they are receiving a listing of purchase orders and paid vouchers, but not an "Orders of the Treasurer Report" containing a listing of actual invoices to be paid. |
| Recommend use of available funds according to an established set of priorities. | According to fiscal management staff, many schools do not fully expend their state grant awards; therefore, the funds revert to district-wide control. The district does |

not have a process to provide more thorough training and periodic reminders to principals regarding their remaining available funds from all sources.

The Board did not approve the 4% tax rate during the first year of the former Superintendent's tenure. According to the district's calculations, this negatively impacted the district's resources at the rate at $16 Million per year and will continue to do so for every year thereafter. Had it been adopted, a portion of this would have been restricted for facilities.

JCPS is one of only 14 districts in the state of Kentucky that has not adopted a utility tax. Consequently, it has foregone this additional revenue stream on an annual basis.

The Board has not started a campaign to adopt an additional nickel tax to address aging facilities.

The district has not taken any action to provide additional and adequate resources to specifically address facility needs as identified on its District Facility Plan (DFP).

Based on interviews with principals and SBDM council members, there is inconsistency in the amount of fiscal information provided to SBDMs and the level of SBDM involvement in setting budget priorities that tie to Vision 2020.

The district receives rental income from several sources. The process for invoicing and payment of rental fees is cumbersome and lacks timeliness. This is evidenced by transactions relating to long term renter Devotional Associates Inc. Long-term contracts for cell tower rental with T-Mobile USA, Inc., Sprint Nextel, and AT&T were allowed to lapse without the appropriate renewals, although the rentals continued. In one instance, the contract was issued to one corporation (Powertel

	Memphis) and signed by the attorney of another (T-Mobile).
Maintain accurate records of expenditures and authorization of expenditures as required for auditing purposes	The district does not have a process to confirm that the amount on the bank file as transmitted to and received by the bank matches the total of the payroll at the district end.
	There is no process in place for the district to review district grants and ensure more equitable allocations to schools.
	A review of school activity accounts indicate the presence of some grant funds.
	The district does not have a business continuity plan for the Financial Management office in the event the VanHoose building becomes unusable.
	Currently there is no process in place to confirm that the amount of the bank file as transmitted to and received by the bank matches the total of the payroll at the district end.
	Title II funds are used for district-wide initiatives. According to priority school principals, no allocation to or input from the schools is being considered regarding allocation and use of those funds. Some school principals and SBDM members were not aware that the Title II funds exist.
	The district does not have a process in place to ensure that purchase orders are completed and approved before purchases are ordered.
	According to the Manager of Grants and Awards Accounting, grant awards under $10,000 that do not include federal funds are retained at the school level and maintained in school activity accounts. However, school principals and bookkeepers in the school sample did not confirm this practice.

	The internal auditor staff is currently training the attendance clerks and bookkeepers on pupil attendance and Redbook requirements. That same staff is also responsible for auditing the schools which creates a conflict of interest.

Bank statements and bank reconciliations to the general ledger accounts were reviewed for the months of September 2016, December 2016, and February 2017. All were in order and fully reconciled. It was noted, however, that the district is carrying outstanding checks on its books for many months. As an example, the February 2017 reconciliation still reports outstanding checks from March 2016.

The district has developed a Disaster Recovery Plan, which addresses restoration of IT functionality. The district has a contract for a nightly backup of MUNIS data at an alternative site. Additionally, the district backs up its other IT programs every 15 minutes.

The district also has a written Business Continuity Plan that addresses IT issues. However, it does not address building issues that may occur because of a disaster. |
| Comply with purchasing requirements applicable to school districts. | The Audit Review Team did not find areas of non-compliance. |
| Implement investment policies to ensure that all public funds are invested safely and productively. | The independent auditor reviews the execution of the process annually. The Audit Review Team did not find areas of non-compliance. |

(c) Fiscal management -SCHOOL Level- failure to perform the appropriate planning, budgeting, fund management, and accounting responsibilities required for the fiscal management of the school district including a failure to:

Regulation 703 KAR 3:205, Section 2 (c)	Findings
Assess the need for expenditures.	The Audit Review Team did not find areas of non-compliance.
Recommend use of available funds according to an established set of priorities.	The documentation surrounding grants may be maintained and controlled at the Central Office level; however, a basic understanding of the processes involved for the grant funded employees should exist at the school level. Upon request for supporting documentation such as employees' timesheets, time attendance records, and grant award documents to ensure monies were properly allocated and accounted for, one school was unable to comply with the request. At least one member of the school personnel should be able to explain the procedures and policies that are in place to ensure grants are being properly allocated and accounted for per the constituents. Bookkeepers are offered Redbook trainings through Central Office, once or twice a year, and the principals receive updates through trainings or emails. The assistant principals and teachers receive no formal Redbook trainings as evidenced by interview responses. For example, because multiple receipt forms begin in the classroom, it is important that teachers receive adequate training on multiple receipt procedures. Providing others with knowledge in this area will also help matters in the event a school bookkeeper should take leave unexpectedly, or during a replacement period if one leaves their place of employment.
Maintain accurate records of expenditures and authorization of expenditures as required for auditing purposes	It is best practice to maintain one bank account at the school level. There were two instances observed where the school had more than one account open at the date of the school visit. Both schools had changed banks and stated the reason for the pre-existing account being open was due to outstanding checks. One bookkeeper had written the checks off in the EPES system but still had not closed the bank account. The district has not ensured that all schools are following Redbook credit card protocols. Redbook clearly states that school credit cards should be safeguarded and kept under lock and key. Redbook

	also indicates that a school should maintain a sign-in/sign-out sheet for each credit card maintained. There was an audit finding for the fiscal year 2015-2016 which the external auditor instructed the school to complete a Form F-SA-5 monthly. During the interview with the bookkeeper at this school, it was evidenced by the bookkeeper's response that this finding had not been rectified on the date of the management audit. The reason provided was, "lack of time". Each year an independent annual audit is performed at the school level pertaining to school activity funds. The latest audit performed on all schools visited was for the FY 2015/2016 school year except for the alternative education programs. School level findings in the independent audit are reported to the board in summary form only and not by school.
Comply with purchasing requirements applicable to school districts.	Dates should not be crossed out in ink on a purchase request form since this leaves room for questioning the validity of the documents being examined. All schools visited stated that they followed the Kentucky Model Procurement Code (KRS Chapter 45A) adopted by the district regarding bidding and purchasing activities. During a random sample of ten purchase orders at one school, there were three instances observed where the date on the purchase request form was altered; therefore, the authenticity of the date remained questionable.
Implement investment policies to ensure that all public funds are invested safely and productively.	The independent auditor reviews the execution of the process annually. The Audit Review Team did not find areas of non-compliance.

(d) **Personnel administration** - failure to ensure school district staff are prepared to perform the required professional and staff responsibilities in an effective and efficient manner, including a failure to:

Regulation 703 KAR 3:205, Section 2 (d)	Findings
Develop and implement employment practices and procedures that ensure the selection and placement of the most qualified personnel	The current system does not have a quality assurance check to ensure that the most qualified and effective teachers are working in the neediest schools.
Train and evaluate the professional staff of the district as required by applicable laws	The district has not created a training process to ensure that employee files are routinely audited for complete information. Interviews revealed that investigations by JCPS staff substantiated abuse by school staff but no action was taken by the district indicating a lack of training regarding reporting requirements. The DLS staff was told that there are "serial abusers" in the school. Investigations substantiating abuse were forwarded to Central Office HR. No follow up action against the employees was taken until the local newspaper reported the instances. Additional information is included in the DLS report.

(e) **Instructional management** - failure to develop and maintain district-level instructional policy including a failure to:

Regulation 703 KAR 3:205, Section 2 (e)	Findings
Maintain a curriculum consistent with 703 KAR 4:060 and applicable laws.	The district has created curriculum maps which are aligned with state and national standards for each grade level and content area. Based on interviews there is inconsistency in the districts approach in working with school leaders to ensure equity and rigor through the use of the district curriculum. While valid processes and protocols have been created around curriculum, instruction and assessment, they have not been consistently implemented with fidelity system-wide to ensure sustainability and repeatability that would result in continuous improvement. Along with inconsistent

	implementation, also lacking is a consistent process for measuring the effectiveness of policies/procedures to create change in policy and practice
Provide the resources necessary to support the instructional program.	Schools indicate that the leaders of curriculum and instructional processes include Administrative teams, Instructional Leadership Teams (ILT), department chairs, grade level team leaders, Goal Clarity Coaches, Professional Learning Communities (PLCs), principals, SBDM councils, curriculum/instruction committees, and guidance counselors.
	There is limited evidence that instruction is adjusted based on data from PLC meetings across the district.
	There is a lack of consistency across the district in data analysis to guide instruction.
	The walkthrough process is not consistently implemented throughout the district.
	Interviews reveal that teachers may not understand their instructional needs based on lack of immediate and limited specific walkthrough feedback.
	The Audit Review Team verified that the district has identified schools on the verge of becoming priority schools as Transformation schools. Transformation schools were eligible for additional districts supports including eleot® walkthroughs in school year 2016-17 and training for the school principals which included discussions about practices that the schools can put into place as well as a review of school level data. There is no evidence that these practices have improved student achievement data at the transformation schools.

	There are inaccuracies in federal and state data reporting concerning Career and Technical Education.
	There are inaccuracies in documentation of career pathways.
	School level CTE staff are not identified and/or identified staff do not have the knowledge and/or authority to implement the CTE program with fidelity.

Area of Review	Recommendation	Evidence
Planning	A board protocol for ensuring proper training and alignment of responsibilities and roles of members must be enacted and monitored for improvement of board effectiveness. Examine and improve the alignment of central office work and personnel to achieve district goals and strategies. Alignment must include accountability for execution at all levels (e.g., Superintendent, Cabinet Members, Assistant Superintendents, middle level management, school administrators, teachers). Create a formalized plan that focuses on two-way communication including horizontal and vertical internal communication which is harmonized across all processes and work groups to support organization-wide goals. As part of this formalized internal communication plan, there should be accountability for execution of this plan at all levels (e.g., Superintendent, Cabinet Members, Assistant Superintendents, middle level management, school administrators, teachers). Implement a systematic monitoring process to develop new and review existing policies while ensuring policies are effective at the Board of Education, district and school level. As part of this formalized process, there should be accountability for execution of this plan at all levels (e.g., Superintendent, Cabinet Members, Area Assistant Superintendents, middle level management, school administrators, teachers).	Persons Interviewed: Superintendent, Board Members, Cabinet Members, Area Assistant Superintendents, Assistant Superintendent of Curriculum and Instruction, Assistant Superintendent for Academic Supports, Chief Financial Officer Director of Compliance and Investigation, Internal Auditor, Director of Student Assignment, Fiscal Coordinator, Director of Recruiting and Staffing, Priority School Principals, Director of Title I, Title I Staff, Director of Curriculum and Community Engagement, Resource Teacher, SBDM Members, ESL Academic Consultant, Director of Early Childhood, Specialist, Planning and Program Evaluation, District Assessment Coordinator, Data Management Research, Director of Administrator Recruitment Documents Reviewed: CDIP, Vision 2020, Board Agendas, Board Minutes, Board Meetings recorded and live, School Schedules, SBDM Minutes, Survey Data, OEA Reports, JCTA Contract, Organizational Chart, Job Descriptions, Board Policies, Equity Materials

	JCPS CDIP must contain the required Kentucky Board of Education (KBE) goals. Create 30/60/90 day plans for each department to ensure the CDIP is being fully implemented. Create a task force made up of shareholders (e.g., community members, parents, local officials, teachers, administrators, students) who are representative of the district demographics and geography to review the Student Assignment Plan to ensure opportunity, equity and access to all students.	
Operational Support: Food Services, Transportation, Facilities	**Recommendations for improvement in Food Services:** The district shall implement a process to ensure the proper segregation of duties when it comes to custodial care of the kitchen and the lunchroom that will consistently support the use of Indirect Cost. Reorganization of both custodial and food service staff to the Central Office and removing the supervisory capacity of the building principal regarding those positions may eliminate any confusion about job responsibilities. The district shall address the corrective action plan required due to the USDA audit in March 2017 as a high priority for the district. The required corrective action includes submitting a plan for measuring compliance for non-program revenue and include a report for average meal costs for a week of menus from InTEAM and the value of food used for the most recent closed school year to demonstrate the district moving	Persons Interviewed for Food Services: Chief Operations Officer, Director School and Community Nutrition Services, Principals, Cafeteria Managers. Documents Reviewed: JCPS Board Policies Inspections (date, grade) of the food service area by the Jefferson County Health Department for the past 3 years.

towards compliance in the measurement of non-program revenue. Additionally, the district must submit a plan for food service staff to not clean dining facilities or remove dining room or kitchen trash. It is recommended that the district develop a business continuity plan in the event the Central Kitchen facility becomes unusable. **Recommendations for improvement in Transportation:** It is recommended that the district analyze bus routes (including double runs) for the most efficient and effective solution to the transportation challenges within JCPS. It is recommended that the district consider the addition of bus monitors for the routes that have students with greater than average ride times. It is recommended that the transportation department provide more in-depth pupil management and de-escalation training over the course of the school year, rather than a one-time training in the summer. Additional strategies and techniques to utilize on the bus will lead to a decrease in disruptive behaviors and ensure the safety of all riders. It is recommended that the compound coordinators should have more input concerning driver routes so that the best choice can be assigned to each route. It is recommended the district review the discipline policy to tailor the bus behavior issues to appropriate	Persons Interviewed for Transportation: Chief Operations Officer, Director Transportation Services, Compound Coordinators, Bus Drivers Documents reviewed: JCPS Board Policies, Transportation Dept. – report of Student Ride Times greater than 1 hour – current year, Transportation Dept. – Procedures for determination and assignment of routes, Transportation Dept. – Driver Handbook, Bus Monitor Handbook, Transportation Dept. – Pick-up and drop-off times/locations for all bus routes serving the selected schools, "wait-time" policies and procedures, Individual ride times for students who are provided 'Special Needs' transportation, Tagging Instructions-Elementary Schools, JCPS Driver Training Checklist, Field Trip Bus Services Specifications, Revised Depot vs. Direct report

	consequences. Application of the policy should be consistent district wide for all drivers, parents, and students to have the same expectations. It is recommended that the district develop a process that shares pertinent student behavior information (issues and triggers) with drivers to promote consistency in behavior solutions as well as to ensure the safety of all students being transported. It is recommended that JCPS review the policy of allowing children whose behavior issues have escalated to be put on buses. It is recommended that JCPS review their bus monitor allocation to determine the number of staff required to ensure student safety. It is recommended that the district clarify and communicate to school administrators the proper procedure for documenting 'bus' suspension versus 'school' suspension. It is recommended that periodic observations at the school should be done by JCPS transportation staff to review the loading and unloading procedures that impact student safety. It is recommended that maintenance or construction projects that impact parking or traffic patterns at the school are communicated to Central Office transportation staff in a timely manner for appropriate action.	

	It is recommended that a business continuity plan for transportation management be developed in the event that transportation facilities become unusable. Likewise, a business continuity plan is needed for each bus compound and its fleet should that location become unusable. **Recommendations for improvement in Facilities:** The district should develop and communicate a plan to utilize current bonding capacity to address critical capital projects. There is little to no evidence that the district has a sense of urgency to overcome the documented needs. The Superintendent and the Board of Education must consider additional taxation opportunities that can address those needs. The district should consider an additional nickel equivalent tax (per KRS 160.470) on property. The district should consider, a 3% utility tax (per KRS 160.613) which would generate revenue based on all utility usage (residential and business) across the district. A business continuity plan should be developed for all facilities in case one becomes unusable.	Persons Interviewed for Facilities: Chief Operations Officer, Director Facility Planning, Director Property Management and Maintenance, Director General Maintenance, Director Mechanical Planning, Manager Housekeeping Services, Director Safety and Environmental Services, Principals, Plant Operators. Documents reviewed: JCPS Board Policies, Board approved District Facility plans for 2009, 2011, 2013, and 2017, The Facilities Budget Request (capital construction and maintenance) for FY17, Board approved Facilities Budget (capital construction and maintenance) for FY17, Response to Current 5-year Maintenance Plan request, Facilities/Property insurance policy with specific coverage details, Local Planning Committee Recommendation, Copy of Plant Operator Manual, For the schools covered by the Operations review teams - 2016-17 Work Order Requests and Status, Building Modification Requests, and Status, Safety and Environmental Services: Emergency Procedures Manual
Operational Support: Financial Management	**Recommendations for improvement at the district level:** KDE recommends that the board members consider any and all additional revenue sources (e.g.,	Persons Interviewed: Chief Business Officer, Chief Finance Officer, Fiscal Manager of Operations, Accounting Director, Payroll Manager, Grants/Real Estate and Insurance Manger, Six Board Members, Budget Director, Budget Coordinator, Human

nickel equivalent tax, utility tax) to address critical facility needs.

KDE recommends board member training regarding the use of restricted district funds for the acquisition and holding of vacant real property.

As required by board Policy 04.3111, KDE recommends that the board receives and approves a listing of invoices on the "Orders of the Treasurer Report" at monthly Board meetings.

KDE recommends that the district develop a process that ensures all principals allow the SBDM council members to assist with setting the budget priorities and ensure that all council members receive the monthly financial reports for all school funds.

KDE recommends that the board review and approve long-term cell tower rental contracts, to avoid the contracts lapsing and rentals continuing without Board approval and appropriate corporation signatures.

KDE recommends that the Payroll Department create a process to confirm that the amount on the bank file as transmitted to and received by the bank matches the total of the payroll at the district end.

Based upon the review of the expenditures within federal grants, KDE recommends the district perform a more in-depth review of the district's grants to ensure more equitable allocations to schools.

Resources Director, Director of District Personnel, Purchasing Director, Chief Operation Officer, Fiscal Coordinator, Pupil Personnel Director, Internal Auditor, District Health Coordinator, External Internal Auditor/Chief Audit Executive, Director of Student Assignment, Director of Safety/Environmental Services, Director of School & Community Nutrition Services, Priority School Principals, and SBDM Council Members (Parents and Teachers)

Documents Reviewed: JCPS Board Policies, Updated report of Management Response to the findings documented in the 2014 APA Audit of JCPS, Working Budget FY17, Travel Reimbursement Policy and Procedures, Employee Reimbursement Policy and Procedures, Written procedures relating to assignment and usage of district vehicles, Written procedures for cellular telephone guidelines section in Digital Technology Procedures, Policy on investigating, monitoring, and reporting hotline complaints, Disaster Recovery Plan and Business Continuity Plan, District Security Policy and MUNIS Security Policy ,Password Policy and MUNIS Password Policy, Procedures on obtaining, testing, and implementing MUNIS upgrades, Sampling of grants and contracts will be reviewed with detailed expenditure information, Morgan Security Contracts, IDEA funded inventory and disposals, YTD Budget Report for Fund 1, object code 043*, to include Vendor Name and Amount, Most recent Budget Completion Journal with Account Warnings, Tables Validation Report from most recent closed month, Project Budget Report for 336X, Project Budget Report for 310X, 401X showing Project/Unit/Object with Totals Only for FY15, FY16, FY17, Ranking Report showing the Determination of Allocation of Title I funds by School for FY15, FY16, FY17, Monthly Financial Reports submitted to Board, Bank statements and reconciliations, Balance sheets, Payroll Overview, Invoices paid from 9501087 – 0434, Schedule of insurable values, Building modification journal entries 11/1/16 entry $21,469.98 account

		KDE recommends that the district establish a process to provide more thorough training and periodic reminders to principals regarding their remaining available funds from all sources.	0731077-0439 and a 3/27/17 entry $42,798.20 account PM11195-0439-900XS, Bid documents for FY16 related to the vendors on the attached list, Worker's comp insurance policy, Facility rental documents, JCPS external-internal Auditor Contract (Jim Tencza), Process for General Journals, including backup documentation and approval process, Budget Amendment Process - trigger, approvals, line item negative balances allowed, Building Rental Contract(s) for FY 2016-17, All documentation relating to attached FY 2016-17 building rental transactions, Other rental income - Tower Rental Contracts for FY 2016-17: (a) T Mobile USA Inc., (b) Sprint Nextel, (c) AT&T, Follow up documents requested on liability insurance and other contracts, Names of staff paid from Title II and their job descriptions, Invoices of library media purchases, invoices of technology and technology related supply purchases, documentation of subs paid from Title II (who and relate it to Title II funded PD), Title II Time and Effort Logs for Title II paid staff, Monthly financial reports for one school for months November 2016 through February 2017, Other Title II Invoice, GF accounts payable check registers - Sept, Nov, & Feb, List of district-wide non-administrative personnel with funding source, Internal Audit: Internal Audit Reports to the Board after the June 2015 Risk Assessment, Internal Audit: 2016-17 Internal Audit Plan and status, Internal Audit: Audit Checklists and Templates for internal audits, School level Attendance Goals and Improvement Plans for 2016-17, Attendance Clerk Training Manual, District Health Coordinator: Report of Schools with a full-time nurse position allocated, District Health Coordinator: the PCP form, Time and Effort Reports 2016-17 for 4 selected staff, 2018 draft budget MUNIS report, FY16 PO with maintenance done in FY17, Working Budget Process
		KDE recommends that the JCPS internal audit team monitor internal controls at the school level.	
		KDE recommends that the Chief Audit Executive investigate the presence of grant funds in school activity accounts.	
		KDE recommends that the district separates the pupil attendance and Redbook training functions from the internal auditing function, utilizing different individuals to maintain proper segregation of duties.	
		KDE recommends a process be established to review all outstanding checks past six months from the month of issue and addressed as appropriate.	
		KDE recommends that JCPS develops the capability to grant full read only access to MUNIS for future auditors.	
		KDE recommends that the district develop a business continuity plan for Financial Management should the VanHoose building become unusable.	

Recommendations for improvement at the school level:

It is recommended that all schools utilize one bank account for school activity funds. If a school changes banks, any outstanding checks should be voided, written off in the EPES system, and reissued under the new account if the recipient is known. Old accounts that are not being utilized, should be closed.

To maintain accurate records of expenditures and authorization of expenditures, KDE recommends credit cards be safeguarded and kept under lock and key to protect against unauthorized use as outlined in Redbook procedures. A sign-in/sign-out sheet should also be maintained.

It is recommended that the district provide training to school level personnel for schools that receive funding through grants, so that someone at the school-level will have an in-depth understanding of the financial handling of grants and able to provide supporting documentation relating to the grant upon request during an external audit.

It is recommended that the assistant principals and teachers receive annual training on Redbook activities that govern school activities as it is not merely enough to educate bookkeepers in this area.

It is recommended that all audit findings, including those at the school level, be rectified annually, so that the

Persons Interviewed: Principals, Bookkeepers, Assistant Principals, Teachers.

Documents reviewed: JCPS Board Policies, School level policies and procedures for Purchasing/Contracts, School level maintenance and work order requests/records for the current year, School level monthly financial reports for the current year, School level monthly SBDM financial report for the current year, School level annual SBDM budget and minutes for the current year, School level monthly Redbook reports for the current year, School level monthly Activity budget for the current year Section 6 allocation for FY17 and the two prior years, Section 7 unmet needs list for FY17 and the two prior years, 16-17 Bell Schedules for visited schools, 16-17 work orders for visited schools, School level monthly financial reports for the current year, School level monthly SBDM financial report for the current year, School level monthly SBDM budget and minutes for the current year, School level monthly Redbook reports for the current year, School level monthly Activity budget for the current year, Section 6 allocation for FY17 and the two prior years; and, 9. Section 7 unmet needs list for FY17 and the two prior years, Staff Allocations and SBDM Approvals for Visited Schools

	issues are not repeated in consecutive years. It is recommended that school level findings in the independent external audit be reported to the Board by individual school and not just in summary form.	
Operational Support: Personnel Administration	**Recommendations for improvement:** It is recommended the HR department develop feedback mechanisms within its operating systems that will provide constructive data and information for continuous process improvement. It is recommended that employee files be routinely audited for complete information. It is recommended that the HR department develop a business continuity plan for the VanHoose building in the event it is no longer available.	Persons Interviewed: Chief Business Officer, Director of Human Resources, Director of District Personnel Documents reviewed: JCPS Board Policies, Updated function/process charts for HR workflows, example: On-boarding process and how employees get set up for things like MUNIS. Similarly, for terminations, how access is disabled, Board approved job descriptions, Employee Discipline handbook (draft version), Vacancy Report for 2016-17, New hire processing flowchart Monthly Federal New Hire Reporting – August 2016 and January 20017
Instructional Management	**Recommendations for Improvement:** Develop an effective instructional process that is consistently implemented by system and school leaders. Develop and share rubrics (e.g., PLC, CSIP, CDIP) and ensure feedback is given and follow up action occurs. Develop a system for deployment initiatives. Develop a system to measure the effectiveness of programs that are developed and implemented. Continue to monitor the work with new teachers.	Persons Interviewed: Superintendent, Area Assistant Superintendents, Chief Academic Officer, Principals, Assistant Principals, Goal Clarity Coaches, Regular Education Teachers, Classified Staff, Career and Technical Education (CTE) Coordinator, CTE Teachers, TEDS coordinator, Guidance Counselors, Special Education Teachers, Positive Behavior Intervention System (PBIS) Coach, Behavior Coach, Student Response Team (SRT) members, Admission and Release Committee (ARC) chair. Documents Reviewed: For Curriculum, Instruction, Assessment, District Instructional Policies, Professional Development Plan, Curriculum Maps and process for review/revise of curriculum maps and curriculum document, District Wide RTI System process/plan/data analysis, Certified Evaluation Plan-Agendas for PGES meetings, Curriculum Alignment meeting agendas and minutes, District

	Ensure formative assessments are embedded in the instructional process.

Improve district collaboration with building leadership to ensure equity and rigor through use of district curriculum.

The district College and Career Coordinator (CCR) should create a process that ensures that the benefits and the value of CTE are clearly communicated to all school leadership and become part of the district's culture.

The district CCR Coordinator should collaborate with school leadership to ensure that all school staff understand the opportunities that CTE programs provide for all students. This message should also be shared regularly with students and parents.

Establish a process that ensures all CTE coordinators are trained in Technical Education Database System (TEDS) and Perkins requirements.

Establish a process that allows Pathway Specialist and school leadership access to the career and technical data system, TEDS.

Establish a process to ensure that all district staff explore opportunities for integrating core academic curriculum and CTE curriculum to promote connections in student learning.

Create written processes that address data collection and accuracy, finance, reviews of program standards by both | data analysis of MAP, KPREP, Gap Data, District Walkthrough Process, District Leadership meeting agenda and minutes, Principals' meeting agenda and minutes, PLC agenda and minutes, Staffing allocations, Progress monitoring for implementation and for program effectiveness, Alternative Programs: Written process/protocol for student entry/exit and criteria, Process or policies on how Superintendent communicates protocol or expectation to the Assistant Superintendents, Process or policies on how Assistant Superintendents communicates protocol or expectations to principals, District Support Documents that indicate how Assistant Superintendents hold building level principals accountable, Processes to identify schools in risk of becoming a focus or priority school, student surveys, parent surveys, teachers surveys |

	the district and schools, and student testing. All high school counselors should be trained on Career and Technical Education to ensure they understand CTE pathway scheduling requirements. Create a process that ensures advisory councils meet the member requirements outlined in the Perkins Act and are an integral part of the decision making process in pathway development. District CTE leadership should ensure that the interests of students and the needs identified through Labor Market Information (LMI), specific needs identified by business and industry partners and specific data from the High School Feedback reports are addressed at all schools with fidelity. Establish a system by which the district CCR Director, school leadership and SBDM Councils are provided with all data and training necessary to make informed decisions relative to determining appropriate CTE course and pathway offerings.	

Conclusions: Pursuant to 703 KAR 3:205(2) (2), the comprehensive audit included an investigation of the district's compliance with state and federal statutes and administrative regulations and local board policies. Deficiencies identified and established constitute a pattern of a significant lack of effectiveness and efficiency in the governance and administration of the school district. As a result of analysis of all reviewed Kentucky Department of Education data, Jefferson County Public Schools' data, information gathered during the management review which occurred August 29-September 2, 2016, the management audit which occurred April 18-28, 2017, and an onsite visit April 25-26, 2018, it is the recommendation of the Interim Commissioner that Jefferson County Public Schools be placed in state management, pursuant to KRS 158.785.

Jefferson County Public Schools Management Audit Report

I. **PLANNING**
   a. **Team Members:** Kelly Foster, Cassie Blausey, Hiren Desai, Kay Kennedy, Robin Kinney, Wayne Lewis
   b. **Persons Interviewed** : Superintendent, All Board Members, All Cabinet Members, All Area Assistant Superintendents, Assistant Superintendent of Curriculum and Instruction, Assistant Superintendent for Academic Supports, Chief Financial Officer, Director of Compliance and Investigation, Internal Auditor, Director of Student Assignment, Fiscal Coordinator, Director of Recruiting and Staffing, Priority School Principals, Director of Title I, Title I Staff, Director of Curriculum and Community Engagement, Resource Teacher, SBDM Members, ESL Academic Consultant, Director of Early Childhood, Specialist, Planning and Program Evaluation, District Assessment Coordinator, Data Management Research, Director of Administrator Recruitment,

Approach: addresses the methods the organization uses to accomplish the work; the appropriateness of the methods to intended outcomes; effectiveness of the methods, the degree to which the activity is repeatable and based on reliable data and information

Who is the leader of the governance and management system?

The Jefferson County Board of Education and the Superintendent are responsible for oversight of the entire school system. Additional layers of management include Cabinet Members, their division directors, and Area Assistant Superintendents. At the school level, principals and school based councils (if one exists) are responsible for overseeing the effective operations of the school. Furthermore, at the school level, instructional leadership teams (ILT), administrative teams, and professional learning communities (PLC) participate in the management of school functions.

What documents, policies, procedures indicate how the schools are governed?

Board policies
Vision 2020
Jefferson County Teacher's Association (JCTA) Contract
School-Based Decision Making policies (SBDM)
Student Support and Behavior Intervention Handbook
Student assignment policies
PLC processes and protocols
School structure (magnet, traditional, comprehensive)
Comprehensive School Improvement Plan (CSIP)
Comprehensive District Improvement Plan (CDIP)
30/60/90 day plan (at some schools).

What are the organizational structure and job descriptions of the central office?

Based on district level interviews and observations, the Superintendent is the leader of the district office. The Board of Education determines the policies that drive the work of central office. The Superintendent delegates assignments through Cabinet Members and Area Assistant Superintendents. Area Assistant Superintendents communicate directly with principals at the school level. Many school principals interviewed reported having routine communication with their Board of Education members. Interviews with Board Members indicate that Board Members are unclear of the boundaries that govern their work/role in relationship to the schools and school leadership.

Most schools operate under the structure of principal and SBDM council to oversee school functions. Administrative teams typically include some combination of the following: assistant principals, counselors, Goal Clarity coaches, teacher leaders and Family Resource Youth Service Center/Youth Service Center (FRYSC/YSC) directors. Job descriptions are available at the central office. School level interviews revealed Area Assistant Superintendent of Academic Achievement are available to assist schools. While this structure is intended to provide uniform support for schools across the district, interviews indicate there is not a consistent level support to schools from each Area Assistant Superintendent (e.g., classroom visits, PLC support, building visits).

What are the communication structures in the school district?

Superintendent Friday emails
"Keeping you in the Loop" email
JCPS Fast 5 email
Board Meetings
Employee handbook
Student Support and Behavior Intervention Handbook

Organizational Chart
Social Media
Principal Communication Committee
Principal Planning Committee
Face to Face meetings

A Friday e-mail is sent by the Superintendent to all central office staff and principals. The content of the e-mail is generated from the Cabinet and other district office staff.   There is a Director of Communications who is responsible for internal and external communication.   A webcast for schools was implemented at the beginning of the 2016-17 school year. In addition, there is an Envision Equity Newsletter that is published attempting to promote multicultural education. The district communication office has begun to use Twitter as a communication device during board meetings as well as to provide access to the board meetings via live stream.   The district has established a 313-HELP customer service help line to provide information through a customer-focused approach. Furthermore, interviews indicate that in some instances, communication is shared at scheduled district meetings (e.g., principal meetings, Area Assistant Superintendent's meetings, counselors meeting).

 Area Assistant Superintendents and principals review the Superintendent's Friday emails and some Area Assistant Superintendents and principals sort relevant information for specific groups or individuals. Staff meetings, PLC meetings and ILT meetings provide additional modes of communication among school personnel. Social media is utilized by schools to communicate with parents and the community.

Although many structures exist for one-way communication flow within the district, school personnel at all levels expressed frustration with a lack of effective communication and not being "kept in the loop." Stakeholder interviews revealed that on many occasions school personnel did not know who to contact concerning an issue and gave examples of not being aware of who supervised certain programs or areas (e.g., professional development located in more than one office, principals unsure of who to contact in order to place a student in an alternative setting). In some instances, school staff with similar roles have established a network system attempting to share current information and effective practices. Because there is not effective two-way communication in the district many building level employees are unable to obtain the resources of the district.

What is the relationship between the central office and the Board of Education?

Based on interviews, there is little to no evidence of a protocol for Board of Education members to interact with district staff resulting in random contacts initiated by Board of Education members to district staff. District staff report that it is difficult to maintain efficient operations day-to-day while determining course of action based on member requests for reports or information. The boundaries of the roles and responsibilities of the Superintendent and the roles and responsibilities of the Board Members to a level of providing understanding for leadership in efficient operations is unclear.

<u>Deployment:</u> how the approach is applied in addressing values relevant and important to the organization (performance goals); if the approach is applied consistently and is it executed by all the appropriate work units (offices, departments)

How far into the organization is the understanding of how the district is governed?

Generally, employees in the district and in schools understand the system is governed by a Superintendent, Board of Education, Cabinet and other district level employees. Central office employees are aware of and invested in Vision 2020 at varying degrees, but evidence that demonstrates all district employees have a deep understanding of the strategic plan is not evident. School level interviews revealed a limited awareness of Vision 2020 strategies and action steps although the plan is included within the CDIP. School level employees remain unclear as to defined roles and responsibilities belonging to each layer of district governance, including the Board Members. Based on interviews, some school level employees contact Cabinet Members and Board Members directly for school resources.

How do you know?

Stakeholder interviews revealed that on many occasions school personnel expressed confusion about who to call when they needed help to resolve an issue. Such confusion demonstrates a lack of understanding of the organizational structure and knowledge of program contacts and/or who oversees specific programs. Additionally, school personnel reported that if they did contact multiple district employees regarding an issue or question, there often would be various answers which conflicted with one another. In some instances, district personnel would pass questions "down the line to someone else" or fail to be persistent to ensure all questions were answered leaving school staff frustrated with the issue unresolved. School level administrators discussed contacting district level staff members with whom they had previous positive interactions to resolve issues and receive extra support for their schools.

New administrators at the school level receive various levels of support. Support is generally led by Area Assistant Superintendents as time is available in their responsibilities often leading to a void in the onboarding process of a new principal. Some interviews revealed a plan for the Director of Administrator Recruitment and Development to develop processes and programs to build capacity of principals and assistant principals.

Some interviewees expressed a lack of knowledge of how teachers were assigned to schools. In one instance, a teacher reported to her new school and the principal was unaware of the assignment to the school. Teachers also indicate that they might be placed in a school where he/she had not applied for a position. Such evidence indicates a lack of understanding of some governing policies and practices within the district. A common theme throughout principal interviews was the expression of frustration with Human Resources processes resulting in hires who do not share the vision and core values of the school. According to the interviewees, this is a result of having to hire teachers off a specific list rather than having access to the entire candidate pool as required by the JCTA contract.

<u>Learning:</u> how the organization refines the approach through cycles of evaluation and improvement (over time and several data points); encourages breakthrough change to approach through innovation; shares refinements and innovations with other work units and processes in the organization

How are changes in policy and administrative tasks communicated in the organization?

Policy changes are communicated through the Superintendent's Friday Email, "Keeping you in the Loop" email, live streamed board meetings and sometimes communicated from the district to schools via the Area Assistant Superintendents for Academic Achievement face to face meetings. Policies are also on the district's website and available for public review. In some instances, school personnel were unaware of district policies or not sure if a policy was in existence at the district level. Numerous interviewees reported that district policies often were developed as a "reaction" by the district to a concern or violation as opposed to developing policies as a proactive practice.

How do they know that the policies and procedures are working?

District level interviews revealed several collaborative efforts (e.g., Comprehensive School Survey, Assistant Superintendent Meetings, Cabinet meetings, principal feedback) to measure the effectiveness of policies and procedures. While the district attempts to gather information, school employees expressed a high degree of frustration regarding their participation in the adjustment of policies or practices as their input does not appear to affect the outcome.

Despite the district level efforts, school interviews revealed that school personnel have a limited knowledge of specifics of district initiatives to determine if policies and procedures are working effectively. Some interviewees expressed the concern of possible retaliation from the district if their view or opinion did not align with that of the district and/or the board of education.

Safety issues, student assignment concerns, and student management practices were examples given to interviewers indicating policies and practices are not currently working well in some schools. While these concerns are clearly present there is no indication of any initiative on behalf of the district for stakeholders to have a voice regarding the effectiveness of these policies and practices. Additionally, there is a perception that district action in responding to urgent issues lags; for example, interviews revealed a running list of proposed board agenda items that have not been addressed.

What are the processes in place to change the policies and procedures?

For a policy to be created or revised, a draft is presented to the Cabinet for discussion by a Cabinet Member or the Superintendent. Revisions are made and the policy is then presented to the Board of Education for review and approval.

School interviews suggest that school policies and procedures can be adjusted if the school has a SBDM council. Principals, teachers, and parents have opportunities through committee work to review and revise policies on an as needed basis. However, in regards to changing a district policy, school interviewees consistently reported that there was limited if any, school voice in district policies/procedures.

 <u>Integration: The approach is aligned with the organizational needs identified in the CDIP or CSIP or KBE goals and other departments; the measures, information and improvement systems are complementary across processes and work units; the plans processes, results, analyses, learning and actions are harmonized across processes and work units to support organization-wide goals</u>

What evidence is there that the policies and procedures work together for the goals of the school district/student achievement?

Stakeholder interviews revealed limited evidence that the policies and procedures work together for the goals of the school district/student achievement. There is no formal process to analyze whether policies, procedures, programs and staffing allocations to support school needs are having an impact on the goals of school district/student achievement.

Planning Recommendation:

- KRS 160.290 outlines the general roles and responsibilities of Board Members. However, interviews revealed there is involvement of Board Members in day-to-day management and operations of the district. A board protocol for ensuring proper training and alignment of responsibilities and roles of members must be enacted and monitored for improvement of board effectiveness.
- Examine and improve the alignment of central office work and personnel to achieve district goals and strategies. Alignment must include accountability for execution at all levels (e.g., Superintendent, Cabinet Members, Assistant Superintendents, middle level management, school administrators, teachers).
- While Vision 2020 (3.2.1, 3.2.2, 3.2.3, 3.2.4) focuses on communication with external partners including parents and business community, communicating the daily actions of the work of departments and work groups within the organization must flow from strategic (current state) to the operational level (desired state), ultimately all the way to the seat of a student. Create a formalized plan that focuses on two-way communication including horizontal and vertical internal communication which is harmonized across all processes and work groups to support organization-wide goals. As part of this formalized

internal communication plan, there should be accountability for execution of this plan at all levels (e.g., superintendent, cabinet members, assistant superintendents, middle level management, school administrators, teachers).

- Implement a systematic monitoring process to develop new and review existing policies while ensuring policies are effective at the board of education, district and school level. As part of this formalized process, there should be accountability for execution of this plan at all levels (e.g., Superintendent, Cabinet Members, Area Assistant Superintendents, middle level management, school administrators, teachers).
- While the CDIP contains the required Kentucky Board of Education (KBE) goals, the expansive nature of the plan inhibits full implementation of actionable steps to guide the day-to-day work. Create 30/60/90 day plans for each department to ensure the CDIP is being fully implemented.
- The guiding principles of the JCPS Student Assignment Plan are choice, quality, diversity, predictability, stability and equity; however, based on interviews choice and diversity are championed above the other principles. Create a task force made up of shareholders (e.g., community members, parents, local officials, teachers, administrators, students) who are representative of the district demographics and geography to review the Student Assignment Plan to ensure opportunity, equity and access to all students.

II.   OPERATIONAL SUPPORT- Food Services

   a. **Team Members:** Kay Kennedy, Hiren Desai, Steve Lyles, Gail Cox, Gary Leist, Elisa Hanley, Nicole Vanover, Jackie Chism, James Bauman, Roger Kerns, Krystal Downey, Kim Carter, Chuck Fletcher
   b. **Persons Interviewed:** Chief Operations Officer, Director School and Community Nutrition Services, 34 Principals, 34 Cafeteria Managers.

APPROACH

Who is the leader of the operational systems in the district?

The Chief Operations Officer (COO) is the leader of the Food Services system in the District. The Director of School and Community Nutrition Services reports to the COO and is responsible for the day-to-day management of the food service operation. Although the principal is the hiring manager for school level staff, the Cafeteria Manager is the leader of the food services within each school. Often the principal designates the Cafeteria Manager to complete evaluation forms for food service employee but the principal signs the form and delivers the evaluation to the employee. The principal evaluates the Cafeteria Manager. The district is considering a reorganization of the food services employees that will align them to the Central Office Food Services unit and eliminate the principal as the hiring manager.

What processes are in place to ensure they operate appropriately?

The district participates in feeding programs offered by the United States Department of Agriculture (USDA) that include the Child and Adult Care Food Program, the National School Lunch Program, the School Breakfast Program, the Special Milk Program, and the Summer Food Service Program. The food service operation delivers feeding programs in all 155 schools in the district serving over 100,000 meals each school day through just the breakfast and lunch programs alone. The district is required to comply with USDA regulations to receive federal funding. In March 2017, KDE's Division of School and Community Nutrition (SCN), assisted by the USDA Southeast Regional Office, completed an Administrative Review of the JCPS Food Services operation. In June, 2017, SCN accepted the final corrective action plan submitted by JCPS as a result of the Administrative Review and will continue to work with JCPS to ensure the corrective action is implemented.

Cafeteria Managers receive training for the preparation of food products from Central Kitchen, mostly through email. Cafeteria Managers receive training for proper record maintenance through a "back-to-school" in service program and at professional development opportunities throughout the year. Central Office provides a weekly hot topics newsletter to Cafeteria Managers and department heads. Any additional communication that is required between the Central Office and the school food service staff is handled by the cafeteria manager. This usually occurs through emails or phone calls.

Most of the schools observed receive food product shipped from the Central Food Service location. The Central Kitchen does some of the food preparation where it is economically feasible such as dinner rolls, muffins, spaghetti sauce, and ranch dressing. Prepackaged items are kept in inventory at the Central Kitchen and delivered on a just-in-time basis to schools based on menu requirements. Some items, such as fresh produce and fresh fruit, are delivered directly by vendors who have board approved contracts with the district. The role of the school kitchen is to heat the food, if necessary, monitor food temperatures, and prepare the serving lines. Most schools utilize the SMART Temps Temperature Management System which is an electronic handheld thermometer designed to help monitor temperatures and keep food safe while serving students.

Most schools visited confirmed that the Cafeteria Manager is responsible for evaluating food service employees. All Cafeteria Managers are evaluated by either the assistant principal or the principal.

Based on interviews there is no business continuity plan should the Central Kitchen facility become unusable due to a disaster.

What documents and policies are in place to support operations?

Section 7 of the JCPS Board Policy Manual addresses meal pricing, the secure handling of student information related to eligibility for free or reduced price meals, and the procurement of food products. The district maintains all resources, forms, manuals, and procurement guidelines on a secure SharePoint site that can be accessed by staff.

DEPLOYMENT
How are operational processes deployed and how do you know they are working.

All school cafeterias observed were exceptionally clean and well maintained. Based upon observations, all employees serving food were wearing hair restraints and gloves. There was no food observed on the floor in the pantries located within the schools. The food storage areas were clean and well maintained and no out-of-date food was identified at any school. School cafeterias are required to have two health department inspections annually; the results of these inspections are posted in the cafeterias. Health department inspection scores for FY15, FY16, and FY17 (not all 2nd inspections were complete at the time of the request) were provided for a sample of 51 schools. In FY15, 22 schools in the sample achieved a 100% rating for both inspections. In FY16, there were 28 schools in the sample that achieved a 100% rating for both inspections. In FY17, 24 schools in the sample achieved a 100% rating (note: 3 schools that achieved a 100% rating in the first inspection had not had a second inspection at the time of this requested data.)

The Food Service Program reimburses the General Fund approximately $3M annually for Indirect Costs. Indirect cost covers the Food Service department's portion of administrative expenses (such as custodial services, utilities) that are provided in support of the Food Service program but not solely attributable to that program. Most schools confirm that the kitchen staff clean the kitchen area and that custodial staff members clean the cafeteria area; with one exception noted. One school Cafeteria Manager stated that her staff cleans the cafeteria portion of the lunchroom in addition to the kitchen. Some Cafeteria Managers confirmed that the food served at the school complied with the "Buy American" USDA policy, other managers could not make that confirmation.

All special dietary needs are monitored by the Point of Service (POS) staff. A student list is stored in the computer system and physical copies are maintained at the registers if the computer system experiences technical difficulties. When a student inputs their assigned school number, any special dietary needs will appear on the screen. This allows the staff to ensure that no student is receiving food on his or her tray that could be harmful to their health. Based on interviews at sample schools, staff at the elementary schools must be more diligent in this area due to the age of the students they are serving. Middle school cafeteria managers stated that their students were more responsible with adhering to their diet if they had specific allergies to foods.

LEARNING

How do operational systems use data and information to improve?

The district provides breakfast, lunch, and after school feeding programs and is required to maintain participation records. In 2017, 129 schools in the district participated in the Community Eligibility Program (CEP) to provide free lunch to all students. Five additional schools will be added in the 2017-18 school year. Several schools visited by KDE participated in the CEP. The schools which participate in this option have less revenue coming in from school cafeteria sales due to every student qualifying for a free breakfast and lunch. At all other non-CEP school, students may apply on an individual basis for free or reduced price meals. Students are not denied meals based on inability to pay and may charge the meal cost for later payment. The General Fund will reimburse the Food Service program for uncollected meal charges. School Cafeteria

Managers stated that revenues received were from incoming visitors who purchase lunch or any extra items purchased by students. Non-program revenues over $50 are deposited daily.

The district has implemented the Nutrislice application that allows parents, students, and other stakeholders to view school menus and the nutrition information of items served.

The Food Service program does not operate in the black at all schools, but overall, the program is self-sufficient. The food service program overall maintains an Operating Fund balance slightly over two months.

The district also provides summer feeding programs for children 18 years old and younger.

INTEGRATION

What evidence is there that learning is shared throughout the organization?

The Director of School and Community Nutrition Services stated the goal of the district is to implement every program available. The Director of School and Community Nutrition Services holds a monthly Manager's Advisory Council meeting to get input from Cafeteria Managers.

The district has implemented a mobile dining facility called the Bus Stop Café which feeds about 500 students per day in the summer. The district communicates information about feeding programs to parents/guardians using take-home fliers, community posters, the district website, and a mobile app that includes site locations.

The Food Services has implemented a program to attract substitute food service workers. The substitute applicants are paid to attend a 5-day training program which prepares them to be successful as substitute employees who may eventually become permanent employees.

Operational Support Recommendation:

- It is recommended that the district implement a process to ensure the proper segregation of duties when it comes to custodial care of the kitchen and the lunchroom that will consistently support the use of Indirect Cost. Reorganization of both custodial and food service staff to the Central Office and removing the supervisory capacity of the building principal regarding those positions may eliminate any confusion about job responsibilities.
- It is recommended that the district address the corrective action plan required due to the USDA audit in March 2017 as a high priority for the district.
- It is recommended that the district develop a business continuity plan in the event the Central Kitchen facility becomes unusable.

II.   OPPERATIONAL SUPPORT- Facilities

a. **Team Members:** Kay Kennedy, Gail Binder, LaTonya Bell, Steve Lyles, Gail Cox, Gary Leist, Elisa Hanley, Nicole Vanover, Jackie Chism, James Bauman, Roger Kerns, Krystal Downey, Kim Carter, Chuck Fletcher, Kelly Foster, Robin Kinney, Wayne Lewis

b. **Persons Interviewed:** Chief Operations Officer, Director Facility Planning, Director Property Management and Maintenance, Director General Maintenance, Director Mechanical Planning, Manager Housekeeping Services, Director Safety and Environmental Services, Principals, Plant Operators.

APPROACH

Who is the leader of the operational systems in the district?

The Chief Operations Officer (COO) is the leader of the Facilities system in the District. At the Central Office, the Director of Facility Planning, the Director of Property Management and Maintenance, and Director of Safety and Environmental Services report to the COO. Additionally, the Director of General Maintenance, the Director of Mechanical Planning, and the Manager of Housekeeping Services report to the Director Property Management and Maintenance at the Central Office level.

The Plant Operator is responsible for the total housekeeping and overall operation of the physical plant at the school level. Some schools have a Head Custodian that is a direct representative of the Plant Operator and oversees the staff in the absence of the Plant Operator.

What processes are in place to ensure they operate appropriately?

The District Facility Plan (DFP), developed by the district in accordance with 702 KAR 4:180, identifies new construction and major renovation projects that can utilize restricted funds for capital projects. The DFP approved by the JCPS Board of Education in March 2017 was approved by the Kentucky Board of Education at the June 2017 meeting. The 2017 DFP has identified approximately $1.3 Billion of facility needs in the district, significantly more than the $720 Million facility needs in the previous DFP. The district has budgeted $61 Million in FY17 and committed $61 Million for each year through FY20 of restricted funds to address capital projects on the DFP. At this rate and based on current costs, it will take more than 21 years to meet the identified needs. During that time, facilities will continue to reach end of life thereby increasing the $1.3 Billion in need. Further, schools that are suffering severe overcrowding need to be informed of any steps the district is taking or considering to rectify the situation.

In addition to the capital projects identified in the DFP, the Central Office Facilities staff maintains a spreadsheet of needed renovations and new construction projects for consideration by the JCPS board. There is no evidence of a work plan to prioritize and complete the projects. The Chief Financial Officer reports that there is approximately $75M available in bonding capacity to address facility projects.

As evidenced by the MUNIS YTD Budget Report for April 2017, the district budget has also allocated $7.1M in the General Fund to the Annual Facilities Improvement Fund (AFIF) for smaller maintenance projects. On the

JCPS website under the link "Facility Planning" there is a listing of the potential projects but no formal prioritization of these projects could be identified, nor was there evidence of communication to stakeholders concerning the status of the listed projects.

The district utilizes a work order system to manage general maintenance requests. Work Orders for general maintenance are handled online and can be reviewed or printed at any time, with each Plant Operator's office equipped to complete the online process. Based on criticality, teams are dispatched to the schools to complete the work order. The system tracks the status of the work requested to completion. The Plant Operator submits work orders for all maintenance items that are performed by JCPS personnel and remains the point of contact throughout the process. The principal and/or assistant principal typically do not get involved in the process unless there is a breakdown in communication. KDE did observe one school where the principal and Plant Operator worked more collaboratively to manage building operations.

Some work requests fall into the category of "Building Modifications". A building modification is generally requested by the principal of the school and is subject to Central Office review. Building modifications, managed through a separate system, are further categorized as must have or nice to have which determines the source of funding. Nice to have modifications are funded from the school budget. Once received by the Central Office, the building modifications will either be approved or denied by Cabinet. Some school principals expressed frustration with critical building modifications being classified by Central Office as 'nice to have'; one example being the installation of a required phone system. Another example is at the all-girls Frederick Law Olmstead Academy South facility where the men's urinals were removed but not replaced with regular toilets for use by female students. Some principals expressed frustration that their school budgets were expected to bear the burden of funding modifications that addressed district requirements.

Facilities management and school administrators indicate the system generally works well now, but the capacity may not exist to handle additional stresses in the future due to budgetary and personnel constraints. Facilities management and school administrators all felt the system has improved in the last few years. However, some administrators mentioned there is a perception that favoritism by district level staff impacts how soon needs get addressed. There is no transparent process or system in place to prevent favoritism.

Based on interviews there is no business continuity plan should the C.B. Young, Jr. Service Center facility becomes unusable.

What documents and policies are in place to support operations?

The District Facility Plan was generated in accordance with district policy and state regulations.

The district completed the Comprehensive Infrastructure Assessment March 2016 to educate stakeholders and guide decision making regarding facilities projects. The assessment documents the capacity and condition of JCPS educational facilities.

Plant Operators are trusted to keep the school running through their own efforts, as well as those of the custodians, per the *Plant Operators Handbook*. The comprehensive 121-page document provides

standardized methods and procedures for housekeeping. In addition, there is a JCPS Housekeeping website, with FAQs, Material Safety Data Sheets (MSDS) information, and other pertinent information available to staff.

Relations and communications between Plant Operator, school staff, and district staff are on a personal, informal, and collaborative basis.

DEPLOYMENT

How are operational processes deployed and how do you know they are working.

Several schools indicate that custodial staffing is inadequate to provide a safe, functional, and clean facility. Employee turnover is high and maintaining an adequate staff is difficult at most schools observed. Schools obtain their employees from a limited pool of applicants provided by Central Office. Additionally, substitute custodians were viewed as virtually impossible to obtain. Schools which are suffering from overcrowding are greatly impacted by an inadequate number of custodial staff. Pending board approval, custodial staff will be managed from the Central Office, to better direct what appears to be a shorthanded staff. The impact of this change is not known. It may break the sense of ownership that current staff feel towards their school, and could result in tensions between JCPS and the Plant Operator who is accustomed to managing the facility with the principal.

Many school personnel spoke highly of the district maintenance personnel, but of the schools visited five schools expressed dissatisfaction with the efforts of local school staff and Central Office staff regarding maintenance. At many of the schools visited, school personnel considered communication with leadership to be problematic.

District maintenance personnel (e.g. plumbers, pipefitters, etc.) are assigned a group of schools and are required to work within that boundary. School Plant Operators and custodial staff are soon to be reorganized into the Central Office facilities management organization to provide a closer point of contact and a more efficient deployment from the district side.

Supplies are delivered directly from the vendor to the schools, rather than through a JCPS facility and all parties agree this process is working. However, interviews with school personnel indicate that budget constraints forced schools to borrow custodial supplies from one another when their inventory is running low. Although it seems cumbersome, the process works for the school staff. Although a practical solution for the issue, transferring supplies without a systematic process makes effective inventory management difficult.

In general, work orders and building modifications processes have improved over the last several years and are working. However, most schools interviewed had complaints about their HVAC not working properly. Two schools commented on their submitted HVAC work orders not being addressed at all, or in a timely manner. Another six schools interviewed believe the age of the school caused heating and cooling fluctuations in the classrooms, prompting numerous staff complaints. One school had repeated issues with the functionality of the partition dividing the gymnasium. This partition separates the gym from the cafeteria when food service is being served. This could be a safety issue for the students during food service times. In addition, obtaining

exterior work (e.g. mowing, laying sidewalks, parking lots, etc.) from the district appears to take longer than interior work. With some exceptions, JCPS maintenance staff generally received high marks, both for timely responses and work product quality, although there are concerns regarding adequate staff numbers, especially in overcrowded schools. Grounds maintenance does not have the same level of approval. System processes appear to be functional, but without proper inputs (personnel, budgets), the processes will not work to full effectiveness.

The facilities and staff visited had very few capital construction projects during the preceding few years, but comments were generally positive towards JCPS staff. One school was dissatisfied with having an older outdated library for their students. According to the school's principal, the library has been at the top of the district's list to update for 20 years.

LEARNING

How do operational systems use data and information to improve?

Work orders (particularly HVAC), building modifications, yearly site visits, and the Comprehensive Infrastructure Assessment are used to determine facility needs. The monies budgeted do not cover the need.

Work orders are online which provides an analytical tool to review school needs. However, there is no formal feedback system for principals regarding work orders.

INTEGRATION

What evidence is there that learning is shared throughout the organization?

Communications within Central Office as well as between Central Office and individual Plant Operators appear strong. Although the Chief Operations Officer has input to the budget, the allocation is relatively unchanged over time and not based on maintenance and operational needs. This has put the facility department in a largely reactive mode, rather than proactively addressing facility needs.

The physical environment of school buildings and school grounds is a key factor in the overall safety of students, staff, and visitors at the school level. School buildings and grounds must be designed and managed to be free from health and safety hazards and to promote learning. As noted above, the *Plant Operators Handbook* and housekeeping website provide common tools for staff use.

Operational Support Recommendation:

- The district should develop and communicate a plan to utilize current bonding capacity to address critical capital projects. There is little to no evidence that the district has a sense of urgency to overcome the documented needs.
- The district requires additional funding to completely address the needs regarding facilities. The Superintendent and the Board of Education must consider additional taxation opportunities that can address those needs. In general, the Board Members lack an understanding of available options to

generate additional revenue. The district should consider an additional nickel equivalent tax (per KRS 160.470) on property. In addition, a 3% utility tax (per KRS 160.613) would generate revenue based on all utility usage (residential and business) across the district. Both are common strategies that have been implemented by other school districts to produce funding targeted for facilities. Based on the amount budgeted for the current required nickel, an additional nickel would bring in an additional $34 Million annually which, conservatively speaking, has a bonding capacity of approximately $459 Million.

- Should the Superintendent and Board of Education acquire the funding to seriously address the outstanding facility need, the present organization and staffing levels will need to be analyzed.
- A business continuity plan should be developed in the event the C. B. Young, Jr. Service Center facility becomes unusable.

II. **OPPERATIONAL SUPPORT- Transportation**
   a. **Team Members:** Kay Kennedy, Elisa Hanley, Roger Kerns, Chuck Fletcher
   b. **Persons Interviewed:** Chief Operations Officer, Director Transportation Services, Compound Coordinators, Bus Drivers

APPROACH

Who is the leader of the operational systems in the district?

The leader of the Transportation system in the district is the Chief Operations Officer (COO). The Director of Transportation Services reports to the COO. There are nine bus compounds each managed by a Compound Coordinator.

The principal is the leader of the operational system at the school level. In most instances, an assistant principal is responsible for the discipline of students resulting from referrals by school bus drivers. The Bus Compound Coordinator is the direct supervisor for bus drivers and substitute bus drivers; however, Compound Supervisors do not have input to the assignment of driver's routes. The JCBE-Teamsters agreement reduces flexibility in assigning routes for transportation services. Drivers with seniority may choose routes. Transportation supervisors cannot assign the most experienced bus drives to the most challenging routes due to the agreement.

What processes are in place to ensure they operate appropriately?

Bus routes are determined based on student assignment, projections, and bell times at individual schools. The district utilizes cluster/network schools as bus depots to streamline routes required. Based on district-wide information provided by the Director of Transportation Services, the average ride time for an elementary student is 25 minutes although there are more than 600 elementary students whose ride time exceeds 60 minutes. At the high school level, the average ride time is 31 minutes with more than 2,100 students whose ride times exceed 60 minutes.

Bus drivers adhere to the Transportation Procedures and the School Bus Driver Training Manual provided to all JCPS bus drivers to ensure the safe operation of the vehicle. After initial certification, all drivers are required to take a 6-hour Driver Training Update course annually. Schools utilize the Student Support and Behavior Intervention Handbook, also referred to as the code of conduct, which applies to behavior on school buses as well. Student behavioral referrals are received by a school administrator from bus drivers. Infinite Campus (IC) is the platform used as a tracking tool for behavioral referrals.

Buses are inspected regularly and receive routine maintenance at the bus compound and service records are kept for each vehicle. The district currently has a fleet of 1,312 buses. The district has developed a Bus Replacement Schedule that requires expenditure of approximately $10 Million in each of the next 5 years to procure 139 new buses each year. Concurrently, 139 buses will be eliminated annually to maintain the fleet at 1,312 buses. This replacement schedule will reduce the number of buses that are more than 12 years old to 243 or 19% of the total fleet.

Student transportation is experiencing a nationwide problem of driver shortage. The COO expressed frustration with the district's recruiting effort. Driver attendance is also a problem. The district now offers a monthly bonus of $200 for each driver who achieves perfect attendance.

Based on interviews and observations, there is little to no evidence of a business continuity plan for transportation management should the C. B. Young, Jr. Service Center building become unavailable due to a disaster. Interviews and observations also indicate, should any bus compound and its part of the fleet be rendered unusable, there is no business continuity plan.

What documents and policies are in place to support operations?

The Student Support and Behavior Intervention Handbook, the Transportation Procedures, School Bus Driver Training Manual, and School Bus Inspector Manual are available to all transportation staff, including drivers.

DEPLOYMENT

How are operational processes deployed and how do you know they are working.

Although schools utilize the Student Support and Behavior Intervention Handbook, student discipline is an ongoing challenge for JCPS bus drivers.

- Drivers report that due to the choice of route assignments available to drivers with seniority, less experienced drivers may be assigned to routes with students whose behavior issues the driver cannot manage.
- Based upon interviews with several bus drivers, they are writing referrals to principals for serious safety issues that are occurring on their school buses. Many of these referrals never get addressed or else they are documented as addressed, but there is no real consequence to the student(s).

- Drivers have a perception that if they write "too many referrals," the principal will request to have that driver moved to another school. One driver claimed that this type of transfer happened to him. The perception exists among bus drivers that school administration is more concerned with what "makes the school look bad."
- Drivers have a perception that students who exhibit behavior problems on the bus are rarely given bus suspensions (except toward the end of the year); but drivers who report behavior are in some cases being pulled off their route or terminated.
- There is some confusion related to the difference between a 'bus suspension' and suspension from school. Often a student who is suspended from riding the bus has no other means of getting to school. A student who is absent due to a lack of transportation is classified as absent.
- Several JCPS administrative staff (principals/assistant principals) stated that students who are suspended from the school bus and whose parents are then unable to transport them to and from school are recorded as suspended from school.
- There is a concern from drivers that some special needs students with behavioral intervention plans are being transported with other special needs students with fragile health conditions. This poses a safety hazard for the fragile students. Aides assigned to the fragile students are spending time monitoring the students with behavior problems rather than the fragile students to whom they are assigned.
- As reported on the 2016 Professional Staff Data/Classified Staff Data Reports, there are 23 monitors for the general population routes and 110 aides for special needs transportation.
- Transportation is not typically involved in the Admissions and Release Committee (ARC) meeting to address options for transportation services as part of the Individual Education Plan (IEP) for special needs students.
- Drivers frequently change routes due to the bidding process available to them for more hours.
- Loading and unloading safety issues were observed at two of the 21 schools observed. These were immediately brought to the attention of the bus compound supervisor and resolved.
- Many issues occur when substitute drivers are not aware of the behavior expectations at each school.
- Communication to parents needs to include bus policies that are consistent among all students.

LEARNING

How do operational systems use data and information to improve?

Schools utilize the school bus ride times and behavior referrals when requesting bus monitors and/or additional staffing to assist with loading/unloading zones. Central Office also uses video from the buses to determine the need to provide monitors for a specific route. There is a lack of communication and consistency between the school and Central Office as to what behaviors constitute the need for a monitor. Principals and assistant principals use data received to follow patterns and address bus behavior challenges. Many requests for monitors go unheard and the district struggles to cover areas due to funding.

The Student Assignment Plan presents challenges to transportation staff who manage the bus routing process.

KDE routinely reviews the driver records maintained by the district for evidence of initial certification and completion of the 6-hour update training. These records were thoroughly reviewed in March 2016 with no major findings.

INTEGRATION

What evidence is there that learning is shared throughout the organization?

All teachers and administrative staff are aware of the Student Support and Behavior Intervention Handbook policy.

Operational Support Recommendation:

- It is recommended that the district analyze bus routes (including double runs) for the most efficient and effective solution to the transportation challenges within JCPS.
- It is recommended that the district consider the addition of bus monitors for the routes that have students with greater than average ride times.
- It is recommended that the transportation department provide more in-depth pupil management and de-escalation training over the course of the school year, rather than a one-time training in the summer. Additional strategies and techniques to utilize on the bus will lead to a decrease in disruptive behaviors and ensure the safety of all riders.
- It is recommended that the compound coordinators should have more input concerning driver routes so that the best choice can be assigned to each route.
- It is recommended the district review the discipline policy to tailor the bus behavior issues to appropriate consequences. Application of the policy should be consistent district wide for all drivers, parents, and students to have the same expectations.
- It is recommended that the district develop a process that shares pertinent student behavior information (issues and triggers) with drivers to promote consistency in behavior solutions as well as to ensure the safety of all students begin transported.
- It is recommended that JCPS review the policy of allowing children whose behavior issues have escalated to be put on buses.
- It is recommended that JCPS review their bus monitor allocation to determine the number of staff required to ensure student safety.
- It is recommended that the district clarify and communicate to school administrators the proper procedure for documenting 'bus' suspension versus 'school' suspension.
- It is recommended that periodic observations at the school should be done by JCPS transportation staff to review the loading and unloading procedures that impact student safety.
- It is recommended that maintenance or construction projects that impact parking or traffic patterns at the school are communicated to Central Office transportation staff in a timely manner for appropriate action.

- It is recommended that a business continuity plan for transportation management be developed in the event the C. B. Young, Jr. Service Center facility becomes unusable. Likewise, a business continuity plan is needed for each bus compound and its fleet should that location become unusable.

III.   FINANCIAL MANAGEMENT-Central Office

   a. **Team members:** Kay Kennedy, Gail Binder, LaTonya Bell, Robin Kinney, Kelly Foster, Wayne Lewis
   b. **Persons Interviewed:** Chief Business Officer, Chief Finance Officer, Fiscal Manager of Operations, Accounting Director, Payroll Manager, Grants/Real Estate and Insurance Manger, Six Board Members, Budget Director, Budget Coordinator, Human Resources Director, Director of District Personnel, Purchasing Director, Chief Operation Officer, Fiscal Coordinator, Pupil Personnel Director, Internal Auditor, District Health Coordinator, External Internal Auditor/Chief Audit Executive, Director of Student Assignment, Director of Safety/Environmental Services, Director of School & Community Nutrition Services, 18 Priority School Principals, and 52 SBDM Council Members (Parents and Teachers)

APPROACH

Who is the leader of the financial management system in the district?

The Chief Business Officer (CBO) is the leader of the financial management system in the district. The Chief Finance Officer (CFO) reports to the CBO. The Director of Accounting, Director of Financial Planning and Management, Manager of Payroll and Cash Management, and Director of Purchasing report to the CFO.

What internal controls are in place to ensure the fidelity, efficiency, and accuracy of the financial records of the district?
Budgets

A review of the FY16 Annual Financial Report (AFR) compared to the FY17 Working Budget was conducted.

- There were minimal changes noted. The one notable item is the decline in General Fund SEEK revenue in the amount of $8.5 Million.
- The budget for student transportation increased $11 Million from $74 Million to $85 Million. $10 Million of that increase is budgeted for Acquisition of Property.

- According to the CFO, federal and state grant revenues are a big concern because of potential cuts. The uncertainty of the timing of these cuts makes it difficult to make adjustments after the start of the fiscal year.

- The Food Service (Fund 51) budget increased by nearly $6 Million, based upon anticipated additional federal lunch reimbursement revenue.
- The district has budgeted $52 Million for debt service payments including local and state portions. Currently there is no additional allocation to support new construction or renovation of facilities.
- The FY16 AFR reports zero revenue for Utility Tax and the CFO confirmed the district has not levied this tax.
- Except for Food Service (Fund 51), the FY 17 beginning budgeted balance for annual funds on the FY 17 Working Budget Report does not accurately state the beginning balance, as reflected on the prior year's AFR ending balance.

The Board requires budget requests to align with the Vision 2020. The Board Members, departments, schools, community members, and Cabinet are involved in submitting recommended budget requests through the district's budget process that ties to the Vision 2020. There still appears to be inconsistent communication relating to Vison 2020.

Staffing allocations are made in accordance with a board approved staffing formula. The district is in the process of changing all school based custodian positons to district wide positions for FY18 which directly affects the staffing allocation for each school. The purpose of this move is to prevent schools from converting custodian positions to other purposes, potentially leaving schools without adequate custodial services.

The Audit Review Team reviewed the process for identifying unmet student needs with the budget director. There is an online tool for notification of annual allocations. Principals and program managers are trained on the budget process and submit budget proposals to meet those needs. The responsible parties enter their own budgets using the online tool, and the system automatically displays the declining balance until the budget is complete. After SBDM approval, the principal also uses this process for 702 KAR 3:246, Section 6, *School Council Allocation Formula*, allocations including each school's unused funds from the prior fiscal year that are permitted to be carried forward to the subsequent fiscal year.

 A multiple-level approach is in place to evaluate the proposals and fund the selected ones within the district's priorities and available funds. A committee reviews all proposals; the Cabinet decides which ones to fund. The Board gives final approval through the budget adoption process. The district's administration has received proposals totaling $60 Million for FY18; however, there is only $20 Million available for funding.

The Board Members participate in a work session relating to the budget, then vote on the budget at a regular meeting. A review of the board minutes indicates that budget approvals and subsequent submissions are done in a timely manner.

Policies/Procedures
Based on the certified copy of the May 9, 2017 board minutes provided by the Accounting Director, the Board approved the District Petty Cash and Internal Petty Cash policies. However, the policies have not been posted to the district's Policy webpage as of May 12, 2017.

The district is in the process of implementing a new p-card process to be used for air travel. There is a limit set at a cost no greater than $150 more than the least expensive flight. The Accounting Department verifies this

on the professional leave form. In addition, the Human Resources recruiters are issued a "ghost" card with a one-time use limit. It is used for air travel, hotel, and ground transportation. In addition, some of the school activity accounts have a Kroger card. Detail was verified at the school level.

The Board is required to approve all contracts. The Request for Proposals (RFP) award, as approved by the Board, specifies the maximum number of renewals or extensions permitted. The Board has established a limit of five renewals per contract. The district recently began providing a monthly report of all contract renewals and extensions to the board.

The district operates under various policies and procedures:

- The district has an expense reimbursement policy. Travel and Employee Reimbursement Information is referenced on the district's website. Refer to the JCPS Travel and Board policy 03.125 and 03.225.
  https://www.jefferson.kyschools.us/business-services-division/grants-awards-accounting/grants-awards-travel-information
  https://www.jefferson.kyschools.us/books/03125-expense-reimbursement
  https://www.jefferson.kyschools.us/books/03225-expense-reimbursement

- The district has written policies related to assignment and usage of the district's owned vehicles. Refer to Board policies 03.1321 and 03.2321.
  https://www.jefferson.kyschools.us/books/031321-use-school-property
  https://www.jefferson.kyschools.us/books/032321-use-school-property

- The district has written policies for cellular telephones. Refer to Board policies 03.1321 and 03.2321.
  https://www.jefferson.kyschools.us/books/031321-use-school-property
  https://www.jefferson.kyschools.us/books/032321-use-school-property

- The district also operates under various policies and procedures that assist with updating, maintaining, and safeguarding the data in the MUNIS financial system.

- The district's Security Policy details procedures for access to MUNIS and the district's network. A Personnel Action Report is the source document for granting action. Queries are run twice weekly to determine pending action notification. Three designated individuals (one primary and two additional as backup) have authority to grant access to individuals.

- The Password Policy for MUNIS and the district's network are identical. Passwords are set to expire at 90 days and users are given 14 days advance warning to change passwords. After a password lapses, the account becomes inactive, and only a network administrator has authority to reactive the account.

- Documented procedures ensure proper segregation of duties in performing security administrative functions. Additionally, all general journals and on-line banking transactions require approval prior to posting. All three individuals, who are at high security level, may post their own journals. In that situation, it must be an emergency and requires post approval from one of the other two individuals.

- As evidenced by the JCPS Accounts Receivable Flow Chart, the district ensures proper segregation of duties in performing the accounts receivable functions. The chart details the segregation of duties pertaining to opening mail and the cash management process.

- The Board has a monthly Work Session and Regular Board meetings where the members receive and/or discuss information. The Board has started having the first reading of topics at one board meeting, then votes on the topics usually at the following board meeting.

Planning

The Board recently established a 30-member Finance Advisory Committee (Board Members, community and business leaders) to focus on specific areas related to the financial operations of the district. There are four sub-committees within the Finance Advisory Committee: Budget, Finance Policy, Board Reports and Internal Audit. The priority of the Budget Committee, according to its chair, is to align the budget with the strategic plan.

The Board contracts with an external Internal Auditor/Chief Audit Executive (CAE) to conduct internal audits throughout the year. A portion of the internal audits, for example school accounting and pupil attendance, are conducted by JCPS internal audit staff. The Board also contracts with another auditor to conduct an independent annual financial audit as required by KRS 156.265. The CAE meets with the independent auditor to determine which grants will be audited during the year-end independent financial audit. If there are no findings related to those grants, then the CAE selects smaller federal, state, and local grants for further review. The CAE was unable to define the selection criteria or dollar threshold for his audit selections.

The district maintains an Annual Facilities Improvement Fund (AFIF). The AFIF is funded with General Fund dollars that are used to address non-bondable pressing facility and equipment repair or replacement needs. These include items such as chillers, coolers, boilers, windows, mulch, asphalt, concrete repair, asbestos abatement, and bleachers. Since there are insufficient funds in AFIF to replace failing roofs, they are being patched and/or small leaking sections are being replaced, resulting in additional costs to the district. The district's AFIF budget has been increased from $4 Million to $7.1M for FY 2017.

The district has not taken any action to provide additional and adequate resources to specifically address facility needs as identified on its District Facility Plan (DFP). The DFP was approved at KBE June 2017 meeting. The gap between the district's identified DFP needs and available funding is significant and the district has failed to provide the necessary resources. At the same time, the average age of all facilities exceeds fifty years, and the newest high school is fifty years old.

In 2014, a salary study was initiated by an outside entity at the request of the district. The study was delivered to the JCPS Board in May 2016. Upon review of the study, it was determined by district personnel that the data and resulting conclusions were faulty, so the process was ultimately terminated. At the March 2017, the Superintendent declared the report was flawed and no further action has been taken by the board. Two Board Members said that the salary study damaged the trust between the Superintendent and the JCTA union.

The district has developed a Disaster Recovery Plan, which addresses restoration of IT functionality. The district has a contract for a nightly backup of MUNIS data at an alternative site. Additionally, the district backs up its other IT programs every 15 minutes.

The district also has a written Business Continuity Plan that addresses IT issues. However, it does not address building issues that may occur because of a disaster.

The district has performed regular testing of the MUNIS system, in accordance with established protocols.

What is the relationship between the Central Office finance staff, the Board of Education, other Central Office staff, and the schools?

Based on interviews with principals and SBDM council members, at some schools, teachers, parents and other staff are encouraged and permitted to assist in setting the budget priorities that tie to the Vision 2020. At other schools, the principals exclusively prepare the budget and staff are unaware of the process or content. The concern is the lack of consistency. There appears to be a disconnect between the Central Office's perception of SBDM's involvement at some schools and their actual involvement.

DEPLOYMENT

How are the finance internal controls deployed throughout the district?

Internal Controls
The district has 800,000 account codes. The district starts updating the MUNIS Chart of Accounts within the MUNIS system in early June. A review of project codes from four prior fiscal years appears to confirm this. The Accounting Director stated that the district procedure is to deactivate unnecessary codes after receipt of approval from KDE of the prior fiscal year's AFR. This deactivation could not be verified due to the districts inability to grant full read only access to the appropriate MUNIS program. Alternative verification via the Budget Completion Journal is unavailable because it had been purged from the MUNIS system and is no longer available according to the Director of Accounting.

Bank statements and bank reconciliations to the general ledger accounts were reviewed for the months of September 2016, December 2016, and February 2017. All were in order and fully reconciled. It was noted, however, that the district is carrying outstanding checks on its books for many months. As an example, the February 2017 reconciliation still reports outstanding checks from March 2016.

The Board has closed its American Express purchase card account. All payment issues have been resolved, according to the Director of Accounting.

As evidenced by Board policy 04.31, district staff may obtain consumer credit cards in the name of the district or specific school only with prior approval of the Superintendent or designee. District staff are required to report all existing credit cards to the Chief Financial Officer.

https://www.jefferson.kyschools.us/books/0431-fiscal-accounting-and-authority-encumberexpend-funds

The district receives rental income from several sources. The process for invoicing and payment of rental fees is cumbersome and lacks timeliness. This is evidenced by transactions relating to long term renter Devotional Associates Inc. Long-term contracts for cell tower rental with T-Mobile USA, Inc., Sprint Nextel, and AT&T were allowed to lapse without the appropriate renewals, although the rentals continued. In one instance, the contract was issued to one corporation (Powertel Memphis) and signed by the attorney of another (T-Mobile).

All rentals are required to provide certificates of insurance for their events. For informal groups that do not have broad coverage insurance, they may purchase event coverage through the school district by signing an application and an insurance fee payment. One rental application for JCPS insurance provided insurance coverage for a July 2016 event. It was retroactively signed on April 2017 by Mary Rankin Stephens, the renter, for the Woodford Family Reunion.

The internal auditor staff is currently training the attendance clerks and bookkeepers on pupil attendance and Redbook requirements. That same staff is also responsible for auditing the schools. This creates a conflict of interest.

The district has performed regular testing of the MUNIS system, in accordance with established protocols. JCPS is designated as an early adaptor of MUNIS upgrades. Consequently, upon receipts of upgrades, they are loaded on the test side in the MUNIS application, and the district begins testing within one week of receipt. All upgrades are loaded during lockout phase and an Administrator adds new account codes. After receiving feedback from users, the upgrade is uploaded to the live side.

Grants
According to the Manager of Grants and Awards Accounting, grant awards under $10,000 that do not include federal funds are retained at the school level and maintained in school activity accounts. However, school principals and bookkeepers in the school sample did not confirm this practice.

Title II funds are used for district-wide initiatives. According to priority school principals, no allocation to or input from the schools is being considered regarding allocation and use of those funds. Some school principals and SBDM members were not aware that the Title II funds exist.

Based upon a review of the bill payment paperwork (e.g., hard copies and electronic copies) involved in the sampling of the selective grants, all documentation was available and logically filed. However, it was noted that in three instances of the six transactions reviewed, purchase orders were generated after the invoice dates (e.g., PO # 1728521/Invoice # E4720 - RRCNA National Conference, PO # 1713929/Invoice # INV-64745 - Mastery Connect Inc., and PO # 1715816/Invoice # 3985 - Visually Impaired Preschool Services).

Purchasing/Payables
As evidenced by Board policy 04.3111, the Board is to receive and approve a listing of invoices on the "Orders of the Treasurer Report". Except for situations requiring subsequent Board approval, the Treasurer is to receive a Board-approved and signed "Orders of the Treasurer Report" prior to issuance of checks. The monthly Board documents reflect that they are receiving a listing of purchase orders and paid vouchers, but not an "Orders of the Treasurer Report" containing a listing of actual invoices to be paid. It should be noted that the purchase order amount and invoice amount can and frequently do differ, due to pricing fluctuations, shipping and handling fees, quantity shortages, partial order backorders, etc.

The district utilizes a purchase order system for all purchases. The district utilizes the MUNIS purchase order system module from the beginning requisition stage to the ending receipt verification stage.

The district is using the MUNIS Purchase Order Module. A random sample of 47 purchase orders from September 2016, November 2016, and March 2017 was reviewed. The appropriate invoices, check copies and bid documents for these purchase orders were also reviewed. All documents were filed appropriately and available for review in the JCPS Content Management System.

Individuals who have access to budgeted funds are authorized to initiate purchases on behalf of the district. This is accomplished by completing a Requisition. After passing through multiple approvals, it is forwarded to Purchasing. That department is responsible for checking the item(s) against the bid list, then issuing and releasing the Purchase Order. After the items are received by the ordering individual, that person generates a Receiving Ticket. It is forwarded to the Accounts Payable Department, where it is matched with an invoice from the vendor. All invoices are to be sent directly to the Accounts Payable Department. If no Receiving Ticket has been received, a faxed copy of the invoice is emailed to the ordering individual with a request to follow up on receipt of the goods or services.

Goods and services are bid by the Purchasing Department. A sampling of vendors who have sold items to the district within the fiscal year was selected from the YTD Budget Report, fund 1, object code 043*. In each case, the vendor received over $20,000 in payment(s) from the district. A review of those transactions disclosed that all but one vendor was awarded a bid. According to the Purchasing Director, a bid is now in place.

Due to the Tyler's MUNIS Content Manager limitations, the actual supporting documents would have been very cumbersome and time-consuming to print. However, a spreadsheet that itemizes the documents that were reviewed as a sampling of the district's disbursements was compiled. No issues were found in the purchase orders, invoices, or checks for the sample.

JCPS has a Procurement Regulations document that is posted on the district's web site. As evidenced by the sampling of vendors that were reviewed, the district's bid files consist of the required documents. For example, the files consisted of bid specifications, tabulation of bids, and award of bid procedures. Also, the purchase order files are completed with required documents.

Payroll
The three grants that were selected for review by KDE were Title I, Title II, and IDEA. Records of two employees from each of the three selected grants were reviewed. All the payroll processes were in order, and in the random sampling of November 4, 2016 payroll, the gross amounts, deductions, direct deposit and all tax remittances were in balance. Records have been maintained in an orderly manner and were easily retrievable.

Time and Effort Reports which are required monthly for employees paid with federal funds were not completed properly or timely. When requested, the reports were completed for all time spent beginning with

July 2016 and were all dated April 2017. There were no monthly reports. In one instance, no time was recorded for July and August of 2016; however, the employee was paid from a grant during that time.

KDE staff requested, but the district did not have the ability to grant full read-only access to the MUNIS database. Consequently, records in Job Pay and Recurring Pay could not be verified.

A review of the Employee Master records indicate that gender, race, EEO, part/full, and address fields for certified and classified staff were appropriately populated.

The district utilizes a time and attendance module. Checks are issued bi-weekly, based upon each individual employee entering his/her work time. At the conclusion of each pay period, the local administrator locks the system and approves the work records. After all appropriate approvals, the payroll is forwarded to the Payroll Department for processing.

All employees are paid by direct deposit, and there are multiple levels of approvals at the district level prior to submitting the direct deposit file to the bank. However, currently there is no process in place to confirm that the amount of the bank file as transmitted to and received by the bank matches the total of the payroll at the district end.

Investments/Cash Management
According to the Accounting Director and the attached JCPS Accounts Receivable Flow Chart, a revenue clerk opens the incoming mail, stamps the checks, confirms the total deposit, initials the total on her adding machine tape, and scans the checks into a SharePoint site. Then she gives the deposit stack to a bond technician. The bond technician totals the deposit to verify the revenue clerk's accuracy. The bond technician initials, scans and transmits the deposit to the bank, reconciling the deposit scan batch to the verified adding machine tape. The next morning, the bond technician prints the prior day bank account transaction register, and verifies that the same amount was deposited as she had initialed. The bond technician gives the deposit package to a different revenue clerk who records the deposit in MUNIS, and retains the original checks, detail listing, and backup for documentation.

If an individual brings cash into the Accounting Department, a revenue clerk counts the cash in the presence of that individual, and provides a prenumbered receipt to the individual. When cash is received, it is counted by two people in the department and sealed in an envelope in the presence of both people, with all supporting documentation inside the envelope. The total cash amount is written on the outside of the envelope, and the envelope is given to the Accounting Director or his designee to lock in the safe.

The Accounting Director or his designee records the deposit on a spreadsheet and locks it in a fireproof safe. Whenever the carbon copies of the cash receipts add up to $5,000, or the last working day of the week, whichever is sooner, the carbon copies of the cash receipts are given to a revenue clerk. The Accounting Director or his designee unlocks the cash deposit envelopes and verifies the deposit spreadsheet. The Accounting Director or his designee gives the stack of envelopes to the revenue clerk with the spreadsheet. The revenue clerk unseals the envelopes, recounts the cash, verifies the carbons, and prepares the deposit ticket. The courier takes the deposit to the bank. The carbons and all backup deposit documentation are given to a data management research technician who enters the receipt in MUNIS.

The independent auditor reviews the execution of the process annually.

School Activity Funds/Other

At some schools, teachers' funds are being deposited into the school activity fund for a "staff account" or "hospitality account." In order for teacher-raised funds to be used for teacher activities, they must be deposited into a totally separate teacher-maintained account; once teacher-raised funds are co-mingled in the student activity account, they become student funds.

According to the Director of Accounting, each school's activity account funds are in one Board-approved bank account. However, there was one school included in the school site visits that had two bank accounts.

How do you know?

During the interview sessions, the Chief Financial Officer, Director of Accounting, Director of Budget, Payroll and Cash Management Manager, Purchasing Director and SBDM Council Members described their department processes or roles that consist of internal controls; the district's written policies and procedures; and financial documentation and statements are evidence that internal controls are in place and working.

The independent audit results confirm that most of the internal controls are working effectively. The internal control process observed by the KDE management audit team were effective (e.g., separation of duties, opening the mail, making deposits).

LEARNING

What data and information are used to improve the financial standing of the district?

The Board is provided with monthly financial reports and approval of the reports is reflected in the board minutes. In addition to the MUNIS Monthly Financial Report, the Board is provided with a staff-prepared monthly summary Financial Report, Notes of Interest, Purchase Order Report, and Voucher Report. The staff-prepared monthly summary Financial Report explains the reasons for fluctuation or variances. The Board Members are given the opportunity to ask questions or obtain additional information relating to the reports through different venues such as work sessions, inquiring of the Superintendent, and using the Financial Transparency Tool. This tool is an on-line application with multiple drill down functions to make financial data easily accessible to all stakeholders.

It was noted that the ending balance for most of the annual funds, as reflected on the June 30, 2016 AFR does not match the July 1, 2016 beginning balance, as identified on the FY 2017 Working Budget. For example, the Building Fund (Fund 320) lists a FY 2016 ending balance of $7,338,516.70 on the AFR, yet the FY 2017 Working Budget identifies the beginning balance as $0.00. Similar discrepancies exist in other annual funds.

The Central Office provides on-line access for all principals and bookkeepers to obtain updated financial reports for their school funds. Training is provided on how to access and interpret these reports. Based upon

interviews with SBDM council members, some councils receive copies of the monthly financial reports, while others do not. The responsibility for disseminating this information rests on the principal. Some SBDM members are only receiving financial reports for the funds that have been carried forward from the previous year, funds that the school has labeled "the principal's fund." Based on some of the SBDM council members' responses during the interviews, it appeared that many are not receiving financial reports for their respective grant funds, and they do not understand 702 KAR 3:246, Section 6 allocations.

Under the district's budget process, stakeholders must clarify how the budget requests correlate to the Vision 2020 and the goals must be quantified and measurable. The implementation cycle requires the submitting party to designate when goals will be met, which adds a level of accountability and ensures that resources are being used in an effective way.

The district utilizes the independent audit report's findings and management letter comments to improve or address the financial, grants, and operational areas within the district.

The independent audit report consisting of findings and management letters comments are discussed with the Board Members prior to the board approving the audit. The district management implements corrective actions to address the findings and management comments. According to the Director of Accounting, all the fiscal year (FY) 2016 audit findings and management letter comments have been fully addressed. As evidenced by the November 15, 2016 Board minutes, the Board accepted the FY 2016 independent audit report from Strothman & Company.

Beginning in FY 2017, the results or information from the four committees established by the Board will also impact the understanding of the district's financial status.

How do they know that the internal controls and other policies/procedures are working?

The district is effectively utilizing segregation of duties within the accounts receivable and payroll processes, based on interviews with the Director of Accounting and Payroll Manager, and the review of selected accounts receivable and payroll documentation.

A review of the district's vendor file indicates that they do not have an issue with duplicate vendors. The process is to routinely perform a vendor merge to avoid duplicate vendor concerns.

As evidenced by the district's April 13, 2017 Validation Report, the district is routinely running a Full Validation Report. No out of balance conditions were identified on the report.

As evidenced by the review of the budget documents and selective purchasing documents, and interviews with the Chief Finance Officer, Accounting Director, Budget Director, Purchasing Director, and others, the budget and purchase order processes are functioning according to the district's policies/procedures.

The CAE reports directly to the Board at least twice a year. In June or July, he reports the results of the previous school year's internal audits. He also provides a December update to the board. Any critical issues are reported as they occur.

There is evidence that the majority of the internal controls and policies/procedures are working effectively and efficiently; however, there are a few exceptions that need to be improved through training, and/or reviewing the required procedures/policies:

- Time and effort reports need to be completed properly and timely.

- Some SBDM council members claimed they do not receive the monthly financial reports or training relating to 702 KAR 3:246, Section 6 allocations.

- A review of expenditure documentation noted one instance where the purchase order (#1709240) was dated August 18, 2016, which was after the invoice (#2148), dated August 1, 2016. Additional occurrences are noted under Grants. Purchasing procedures dictate that the purchase order must be approved and issued prior to purchase of the goods or services. The invoice is issued by the vendor after the items have been ordered and have been shipped to or received by the district.

- In some instances, school activity funds are being used to purchase fixed assets. Unless the asset reporting is correctly and timely reported to Central Office, the asset does not get recorded in MUNIS. Consequently, the Fixed Asset Fund (Fund 8) records will not accurately reflect the district's assets.

- Based upon a review of board minutes for the month of January 2017, it appears that unmet needs lists from the schools were not presented to the board at that time. Alternately, the Board was advised of the amount of money required to fully fund all submitted proposals that are tied to Vision 2020. At the March 7, 2017 Board meeting, the Board was advised of allocations that were made for 702 KAR 3:246, Section 7, *School Council Allocation Formula*. Those determinations were made by a committee and the Cabinet, which reviewed all submitted proposals for additional funding.

How is the Board informed of the financial status of the district and the impact of the budget on student performance?

The financial status is presented at the Board meetings and is included as part of the Board agenda. As evidenced by the FY 2017 Board minutes, the district's budgets, monthly financial report, a staff- prepared monthly summary Financial Report, Notes of Interest, renewal contracts, Purchase Order Report and Voucher Report are presented to and approved by the board. The Board Members have the opportunity to ask questions relating to the reports and may use the Financial Transparency Tool available on the district's website.

The district's MUNIS report is presented at the meetings, and line items for monthly finances are presented as to the funds available and expended. One Board Member stated that the Central Office's Finance Department staff provide timely financial reports, and she is given the opportunity to ask questions when needed. She is pleased with the work of the Chief Financial Officer and other financial personnel.

One Board Member would like to receive more detailed financial information from the Superintendent's financial staff.

Several Board Members mentioned that they communicate directly with the Superintendent when they have questions or need information. One Board Member said she receives requested information in a timely manner. Another Board Member stated that he does not always get communication relating to some key points. The Board receive updates at board meetings.

INTEGRATION

The Board did not approve the 4% tax rate during the first year of the current Superintendent's tenure. According to the district's calculations, this negatively impacted the district's resources at the rate at $16 Million per year and will continue to do so for every year thereafter. Had it been adopted, a portion of this would have been restricted for facilities.

JCPS is one of only 14 districts in the state of Kentucky that has not adopted a utility tax. Consequently, it has foregone this additional revenue stream on an annual basis.

Likewise, the Board has not adopted an additional nickel tax to address aging facilities.

There is an apparent lack of understanding about the current bonding potential of the district to address facility needs. The CFO reported that the district currently has a bonding potential of $125 Million of which only $55 Million is utilized.

There is an apparent lack of understanding on the part of some board members regarding the legal requirements for acquisition of land.

What evidence is there that the policies and procedures work together for the goals of the school district/student achievement?

Board Members expressed that the district's financial data and policies are transparent. The KDE Audit team observed that financial reports are available on the JCPS website through the link to board meeting materials and through Citizen Transparency Site for Financial Data. The JCPS website also has a link to the Board policies.

Several of the Board Members who were interviewed, were optimistic about the new committees.

Financial Recommendations:

- KDE recommends that the board members consider any and all additional revenue sources (e.g., nickel equivalent tax, utility tax) to address critical facility needs.
- KDE recommends board member training regarding the use of restricted district funds for the acquisition and holding of vacant real property.

- As required by board Policy 04.3111, KDE recommends that the board receives and approves a listing of invoices on the "Orders of the Treasurer Report" at monthly Board meetings.
- KDE recommends that the district develop a process that ensures all principals allow the SBDM council members to assist with setting the budget priorities and ensure that all council members receive the monthly financial reports for all school funds.
- KDE recommends that the board review and approve long-term cell tower rental contracts, to avoid the contracts lapsing and rentals continuing without Board approval and appropriate corporation signatures.
- KDE recommends that the Payroll Department create a process to confirm that the amount on the bank file as transmitted to and received by the bank matches the total of the payroll at the district end.
- Based upon the review of the expenditures within federal grants, KDE recommends the district perform a more in-depth review of the district's grants to ensure more equitable allocations to schools.
- According to fiscal management staff, many schools do not fully expend their state grant awards; therefore, the funds revert to district-wide control. KDE recommends that the district establish a process to provide more thorough training and periodic reminders to principals regarding their remaining available funds from all sources.
- KDE recommends that the CAE investigate the presence of grant funds in school activity accounts.
- KDE recommends that the district separates the pupil attendance and Redbook training functions from the internal auditing function, utilizing different individuals to maintain proper segregation of duties.
- KDE recommends a process be established to review all outstanding checks past six months from the month of issue and addressed as appropriate.
- A business continuity plan for Financial Management should be developed in the event the VanHoose building becomes unusable.

III.   FINANCIAL MANAGEMENT-School

   a. **Team members:**   Nicole Vanover, Jackie Chism, Krystal Downey, Kimberly Carter, Chuck Fletcher, Steve Lyles, Gail Cox, Elisa Hanley
   b. **Persons Interviewed:** 34 Principals, 34 Bookkeepers, 15 Assistant Principals , 30 Teachers

APPROACH

Who is the leader of the financial management system in the schools?

For the purpose of this management audit, financial school teams were chosen to visit 21 individual schools throughout Jefferson County. The visits revealed that not only is the principal considered the instructional leader of each school, the principal also oversees the financial management of the school.

The principal along with the bookkeeper are each involved in the day to day financial operations of the school's resources. Each school also has a SBDM Council which is comprised of a group of teachers, parents, and the school principal which is set forth by state law (KRS 160.345). Alternative education programs are not required to have SBDM Councils. Each year, the council approves the overall budget for the school which

includes 702 KAR 3:246, Section 6 and Section 7 funds. Most principals expressed that they provide an explanation of the budgeting process to the teachers and non-educators in their school's Council. However, interviews with SBDM council members from the sample schools indicate that their level of understanding was not consistent. The most recent SBDM budget approvals (from the 16/17 school year or 17/18 school year) and the corresponding minutes for the approval were reviewed.

Besides their ordinary student activity accounts, most schools also had at least one external booster organization.

What internal controls are in place to ensure the fidelity, efficiency, and accuracy of the financial records of the schools?

Schools are required to operate in accordance with procedures outlined in 702 KAR 3:130, Internal Accounting, which incorporates the *Accounting Procedures for Kentucky School Activity Funds* (Redbook). In addition to Redbook, there are board policies and procedures in place to ensure monies are received and spent as intended. The budget approval for 702 KAR 3:246, Section 6 and Section 7 funds occurred in late February or early March of 2017 for the FY 2018 for the observed schools. SBDM minutes are confirmation that school councils are meeting monthly and receiving financial reports from the principal and board members. Confirmation was attained throughout school level interviews with the principals that council members receive the information at monthly meetings and understand 702 KAR 3:246, Section 6 allocations. Some SBDM members stated that they had never seen any financial reports or only reviewed what they termed the Principal's Fund. SBDM minutes are generally available on the JCPS website, but supporting documents such as the budget are rarely included.

What is the relationship between the Central Office finance staff, the Board of Education, other Central Office staff, and the schools?

Based on school interviews, there is a disconnect between schools and Central Office. Communication was described by many as poor, and not very transparent in nature. Interviews indicate there is confusion regarding Title I allocations. Various schools lack an understanding of why their school doesn't qualify for funding and they are unable to obtain answers from Central Office despite numerous inquiries.

The topic of a Disaster Recovery Plan and Business Continuity Plan amongst principals received various responses. Some school principals were unsure what those were and if the district had one in place. Others were more familiar with a disaster recovery plan but were unsure what a business continuity plan meant.

Staff at more than one school complained that assessments required by JCPS are more demanding and ask more of the teachers and students than that which is required by state and federal standards. Some teachers at the schools do not understand the dichotomy of requirements between the state and local levels.

DEPLOYMENT

How are the finance internal controls deployed throughout the schools?

Bookkeepers are offered Redbook trainings through Central Office, once or twice a year, and the principals receive updates through trainings or emails. The assistant principals and teachers receive no formal Redbook trainings as evidenced by interview responses. JCPS has an internal audit branch to assist in the assurance of internal control compliance. All school bookkeepers confirmed that deposits are made daily or when funds collected totaled $100. Most schools maintain safes that are available to safeguard funds received, and most schools do not maintain petty cash. A few of the schools visited maintained a change repository for ballgames and concessions. They were all properly locked up except one which had funds locked in moveable lock boxes in an office, which is a theft risk. Schools visited showed evidence of following the procurement policies of the district.

Schools are permitted to maintain a credit card in various forms such as Kroger card, Sam's card, etc. The schools that maintain credit cards are following Redbook guidelines except for one school. There are standard procedures and policies that should be followed regarding credit cards maintained at the school level. There was one finding concerning school credit cards. Redbook clearly states that school credit cards should be safeguarded and kept under lock and key. Redbook also indicates that a school should maintain a sign-in/sign-out sheet for each credit card maintained. The finding is evidenced by the principal's response to the interview question, "Where is the school credit card maintained?" The school principal replied, "In my wallet." The school was not safeguarding the credit card nor maintaining a sign-in/sign-out sheet on the date of the management audit.

Based on interviews and observations, most schools maintain one bank account for school activity funds; however, there were two exceptions noted in this regard. It is also best practice to maintain one bank account at the school level. There were two instances observed where the school had more than one account open at the date of the school visit. Both schools had changed banks and stated the reason for the pre-existing account being open was due to outstanding checks. One bookkeeper had written the checks off in the EPES system but still had not closed the bank account.

Purchase orders are maintained at all schools with supporting documentation for school activity funds. The documentation was adequate and sufficient with one exception noted. All schools visited stated that they followed the Kentucky Model Procurement Code (KRS Chapter 45A) adopted by the district regarding bidding and purchasing activities. During a random sample of ten purchase orders at one school, there were three instances observed where the date on the purchase request form was altered; therefore, the authenticity of the date remained questionable.

There was an audit finding for the fiscal year 2015-2016 which the external auditor instructed the school to complete a Form F-SA-5 monthly. During the interview with the bookkeeper at this school, it was evidenced

by the bookkeeper's response that this finding had not been rectified on the date of the management audit. The reason provided was, "lack of time."

Two schools received grant funds for school related projects. These schools maintained supporting documentation such as the grant application, grant award, purchase order request, and purchase receipts. These documents were observed during the management audit and no deficiencies were reported. On the contrary, the alternative programs receive numerous grants to fund various programs and has grant funded employees. Upon request for supporting documentation such as employees' timesheets, time attendance records, and grant award documents to ensure monies were properly allocated and accounted for, the school was unable to comply with the request. The documentation may be maintained at the Central Office level; however, school personnel should have an in-depth understanding of the treatment of grants and provide supporting documentation that is maintained at the school level since it is a vital part of this school's business operations.

How do you know?

The Audit Review Team reviewed a sample of receipts and expenditures at each school visited. The Audit Review Team reviewed the findings noted in the last external audit conducted at the school level for each school visited and inquired with the bookkeeper about all findings noted within the audit. The Audit Review Team reviewed a sample of monthly report verification forms with most monthly report verification forms consisting of the following items: bank reconciliation report, general ledger financial report, list of outstanding checks, sequential list of general ledger transfers, sequential list of receipts, sequential list of checks, sequential list of activity transfers, list of journal adjustments, and a copy of the bank statement signed and dated by principal. The Audit Review Team reviewed the Principals Combining budget, SBDM minutes, and monthly reports. Any supporting grant-related documents maintained at the school level were reviewed on the date of the management audit.

LEARNING

What data and information are used to improve the financial standing of the school?

The SBDM Council meets monthly as evidenced by SBDM minutes to discuss the ongoing needs of the school. When the SBDM Council initially meets to assist in staffing determinations, they review the district's allocation and customize the school budget to meet the needs of the students. To varying degrees, the SBDM Council and the principal take active roles to ensure the finances of the school sufficiently provide the best educational opportunities for all students. Interviews indicate that not all SBDM members have the working knowledge regarding the school budget.

How do they know that the internal controls and other policies/procedures are working?

In review of the annual audit reports and auditor's notes pertaining to schools visited, there were only minor instances of irregularities noted and management responses were obtained for those findings. Most school audit findings were mitigated with one exception referenced above.

How is the Board informed of the financial status of the district and the impact of the budget on student performance?

Each year an independent annual audit is performed at the school level pertaining to school activity funds. The latest audit performed on all schools visited was for the FY 2015/2016 school year except for the alternative education programs. School level findings in the independent audit are reported to the board in summary form only and not by school.

<u>INTEGRATION</u>

What evidence is there that the policies and procedures work together for the goals of the school/student achievement?

Data can be obtained from the school report cards found on the KDE website. Most of the schools visited were listed under the *Needs Improvement* category. Funding for certified interventionists, more alternative programs and more mental health services were topics of discussion regarding helping students succeed in most schools. For the schools identified as proficient or distinguished, the perspectives were not the same. Their concerns regarded facilities, such as limited parking or HVAC issues.

Financial Recommendation:

- As evidenced by information gathered during school level interviews, communication is lacking from Central Office to school level personnel.   Most principals expressed the disadvantages of having Area Assistant Superintendents with 25 schools under each one. Communication is an area of much needed improvement. Transparency is a vital key to success and this is not observed in the JCPS network.
- It is recommended that all schools utilize one bank account for school activity funds. If a school changes banks, any outstanding checks should be voided, written off in the EPES system, and reissued under the new account if the recipient is known. Accounts that aren't being utilized, should not remain open for extended amounts of time.
- To maintain accurate records of expenditures and authorization of expenditures, KDE recommends credit cards be safeguarded and kept under lock and key to protect against unauthorized use as outlined in Redbook procedures. A sign-in/sign-out sheet should also be maintained.
- It is recommended that the district provide training to school level personnel for schools that receive funding through grants, so that someone at the school-level will have an in-depth understanding of the financial handling of grants and able to provide supporting documentation relating to the grant upon request during an external audit. The documentation surrounding grants may be maintained and controlled at the Central Office level; however, a basic understanding of the processes involved for the grant funded employees should exist at the school level. At least one member of the school personnel should be able to explain the procedures and policies that are in place to ensure grants are being properly allocated and accounted for per the constituents.
- It is recommended that the assistant principals and teachers receive annual training on Redbook activities that govern school activities as it is not merely enough to educate bookkeepers in this area.

For example, because multiple receipt forms begin in the classroom, it is important that teachers receive adequate training on multiple receipt procedures. Providing others with knowledge in this area will also help matters in the event a school bookkeeper should take leave unexpectedly, or during a replacement period if one leaves their place of employment.

- Dates should not be crossed out in ink on a purchase request form since this leaves room for questioning the validity of the documents being examined.
- It is recommended that all audit findings, including those at the school level, be rectified annually, so that the issues are not repeated in consecutive years.
- It is recommended that school level findings in the independent external audit be reported to the board by individual school and not just in summary form.

IV. PERSONNEL ADMINISTRATION

a. **Team Members:** Kay Kennedy, Hiren Desai, Gail Binder, LaTonya Bell, Robin Kinney, Kelly Foster, Wayne Lewis
b. **Persons Interviewed:** Chief Business Officer, Director of Human Resources, Director of District Personnel

APPROACH

Who is the leader in hiring and staffing for the district?

The Chief Business Officer is the leader in hiring and staffing for the district. The Director of Human Resources reports to the CBO. The Director of District Personnel, the Director of Administrator Recruitment and Development, the Manager of Benefits, and the Director of Curriculum and Community Engagement report to the Director of Human Resources.

What processes are in place to hire, train, and provide support for certified and classified staff?

The Human Resource department is responsible for recruiting applicants for certified and classified positions. The HR Director provided documentation of the accepted procedures for the hiring of both full-time and substitute personnel. Applications are completed through an online system. Principals and hiring managers have access to view the applications online. Applicants are selected for interviews. Human Resources is notified of the selected candidate.

The Standard Operations documents indicate who is responsible for the input of specific data elements into MUNIS so that employees are properly entered into the payroll system. There is appropriate separation of duties between HR and the Payroll department in terms of managing the setup and maintenance of employee data for payroll.

The HR department provides a new employee orientation for general employment information. The district has established an easily accessible Welcome Center at the Central Office to ensure that new employees

complete the required paperwork and provide required credentials for each position. Individual departments are responsible for the job specific training for their employees.

Another disconnect between Central Office and the schools is when special offerings are provided, such as Benefit Fairs. School personnel out in the district are unable to make it in to Central Office location to participate in the events because the hours aren't accommodating. The school personnel feel they are left out and events such as Benefit Fairs are only useful for Central Office staff. The same situation is found in paperwork that is needing to be routed to Central Office. Central Office hours are not conducive to employees out in the county.

There were no communication failures or communication breakdowns noted within the school between the school teachers, principal, and assistant principal. Many school teachers were united and passionate about the job they perform within the district. One principal stated that, "all of his employees were vested and committed to serving the school district." Another group of school teachers stated that they felt their peers were more like family rather than coworkers. It was very evident the teachers interviewed were passionate about their jobs, their students, and the future of JCPS.

Teachers interviewed stated their frustration about getting decisive, timely answers from Central Office regarding retirement, maternity benefits, family medical leave, etc.

Employee personnel folders are maintained at Central Office.

The Comprehensive School Survey is posted on the district website.

Based on interviews, there is no business continuity plan should the VanHoose facility become unusable.

What processes are in place to ensure fairness in staffing?

Computers are available at work locations so that current employees who may not be able to access the JCPS website otherwise, may view HR related information.

All hiring managers and principals have access to applicants through the Front Line system.

The district has a staffing allocation process in place.

The district maintains links to required worker postings on the district website under "Equal Opportunity/Affirmative Action Employer Offering Equal Educational Opportunities".

DEPLOYMENT

What evidence is there that the evidences mentioned in the approach are deployed in all staffing and hiring situations of the district?

Job Openings are posted on the JCPS website for both certified and classified positions. Board approved job descriptions are also posted on the JCPS website.

The district provided the Monthly Federal New Hire report as requested.

The district utilizes the Position Control functionality in MUNIS to manage personnel vacancies.

A random sample of ten employee files were reviewed. In one instance, there was no transcript for a principal who had been hired the previous August. Although the district uses a checklist to ensure the files are complete, there was one instance of a file that had the checklist still in the file and the checklist was not complete. According to the Director of Human Resources, no file should be taken to the Records room until it is complete.

LEARNING

What measures of effectiveness are gathered to improve the hiring and staffing system especially in gap areas?

The Director of Recruiting is responsible for scheduling job fairs at remote locations to attract a diverse pool of applicants. Recently, Puerto Rico was identified as a recruiting target because of the depressed economy and the availability of dual language teachers. So far, the process has secured two new teachers for the district. The contacts established in Puerto Rico will be helpful in identifying additional recruits in the future. The district also works to establish connections with the educator prep programs at colleges and universities in Kentucky. The district also targets teacher preparation programs at Historically Black Colleges and Universities as well to address the need for minority recruits.

The Front Line system (formerly the AppliTrak program) allows principals to review more candidates before selecting those to interview.

INTEGRATION

What evidence is there that employees understand the hiring practices and that it is systematic?

The Jefferson County Teachers Association (JCTA) and other bargaining units operate on behalf of both certified and classified employees. These employee organizations help staff to understand salary, benefits, grievance procedures, and other employment related processes.

What evidence is there that the staffing works with the goals of the school district /student achievement?

Vacant teaching positions are now posted as school site-specific instead of non-specific district-wide. According to priority school principals, this has created significant issues with obtaining quality teachers because they are opting for positons in the more affluent schools. The current system does not have a quality assurance check to ensure that the most qualified and effective teachers are working in the neediest schools.

Personnel Management Recommendation:

- It is recommended that the Superintendent develop and implement a process to ensure that all Central Office employees are evaluated based on the duties described in their job descriptions.
- It is recommend that the Superintendent ensure that Supervisors (e.g., Cabinet members, Area Assistant Superintendents) are accurately evaluating their employees based on the duties described in their job descriptions.
- It is recommended the HR department develop feedback mechanisms within its operating systems that will provide constructive data and information for continuous process improvement.
- It is recommended that employee files be routinely audited for complete information.
- The HR department has no business continuity plan in the event the VanHoose building is no longer available due to a disaster.
- It is recommended that Central Office should provide opportunities for employees out in schools to participate in special events they hold in the main office.

V.   INSTRUCTIONAL MANAGEMENT

Team Members: Jennifer Baker, Jamee Barton, Traci Branstrutter, Felicia Bond, Claude Christian, Jeff Coles, Kim Cornett, Todd Davis, James-Etta Goodloe, Susan Greer, Greta Hylton, Sean Johnson, Charlotte Jones, Helen Jones, Sammie Lambert, Kyle Lee, Gary Martin, Joe McGowan, Robert Meacham, Donna Meers, David Millanti, Mike Murphy, Julia Rawlings, Jackie Rogers, Sally Shepherd, Carolyn Spangler, Jamie Sparks, Karla Tipton, Todd Tucker, Sam Watkins, Tony Watts, Mike Waford, Pam Wininger, Kiley Whitaker, Robin Kinney, Kelly Foster, Wayne Lewis

Interviewed: Superintendent, Board of Education Members, Area Assistant Superintendents, Chief Academic officer, Central Office Staff, Principals, Assistant Principals, Goal Clarity Coaches, Regular Education, Classified Staff, Career and Technical Education (CTE) Coordinators, CTE Teachers, TEDS coordinators, Guidance Counselors, Special Education Teachers, Positive Behavior Intervention System (PBIS) coaches, Behavior Coaches, Student Response Team (SRT) Coach, Admission and Release Committee (ARC) chairs.

APPROACH

Who is the leader of the curriculum and instructional processes in the district?

There are two lanes of curriculum and instruction within the organizational chart for the Jefferson County Public School District which include Academic Achievement K-12 (lead by the Superintendent and 6 Area Assistant Superintendents as the direct reports) and Academic Services Division (lead by the Chief Academic

Officer with the Assistant Superintendent of Curriculum and Instruction and the Assistant Superintendent of Academic Support Programs as the direct reports).

While there are two distinct lanes for leadership of curriculum and instructional processes, the schools indicate that the leaders of curriculum and instructional processes include Administrative teams, Instructional Leadership Teams (ILT), department chairs, grade level team leaders, Goal Clarity Coaches, Professional Learning Communities (PLCs), principals, SBDM councils, curriculum/instruction committees, and guidance counselors.

What processes are in place to ensure that core curriculum is aligned with state standards processes and horizontally aligned within the district?

The Gheens Academy curriculum specialists in collaboration with teacher representatives develop the curriculum maps and pacing guides.   Online comprehensive curriculum maps and curriculum frameworks clearly identifying each grade level content standards from the Kentucky Academic Standards are available. Curriculum maps also include aligned standards for the grade below the curriculum map grade (example: for 5th grade math, it includes the standards for 4th grade math).

The district has created curriculum maps which are aligned with state standards for each grade level and content area. However, school level feedback was varied on the use and effectiveness of these curriculum maps. Some teachers and administrators indicate that schools have the autonomy to change the order and pacing of the maps, resulting in issues with alignment and accurate results on the Proficiency Assessments. Groups of school personnel review curriculum documents during the summer. These groups are often people in need of professional development hours not necessarily teachers with strong backgrounds in curriculum and assessment development. Some school personnel expressed concern regarding the use of Full Option Science System (FOSS) science kits which are not aligned to Next Generation Science Standards. Additionally, there is work being done with content specialists and teachers to complete the alignment process for science.

School level interviews indicate that in lieu of using district created curriculum maps/guides, some schools use standards to drive curriculum, assessment and instruction work (e.g., learning targets, resources, lesson plans).

The district has also created Proficiency Assessments which are aligned to standards from curriculum maps. These assessments are administered three times per year; however, some schools have chosen to use the fourth assessment. There are concerns that the Assessment Landscape Committee does not support the current assessment system in place. Interviews reveal that some schools have altered the proficiency assessments to meet their individual student pacing needs which results in inaccurate district wide data. Without fidelity to the Proficiency Assessment system, student results are not an accurate reflection of student achievement. Some schools have reported their distrust in the Proficiency Assessments as a true indicator of student success/growth. This has resulted in some schools purchasing assessments from an outside vendor (e.g., Measure of Academic Progress) as their predictor of student success/growth. Interviews

with school personnel revealed that some schools have developed common formative and summative assessments that do drive change in instruction.

How do you measure effectiveness of these processes?

JCPS creates both diagnostic and proficiency assessments which schools use during district created assessment windows. Diagnostic assessments are optional and their use is at the discretion of each individual school administrator. Proficiency assessments will be administered in kindergarten through eleventh grades according to the chart below.

2016-17 District Benchmark Assessment Landscape

Content	Reading/ELA				Math				Science				Social Studies				Deeper Learning
	District Benchmark Assessments																
Cycle	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	
K	Brigance, Letter ID	Letter ID, PAT, HRSW	Letter ID, PAT, RR or DRA, HRSW*		Brigance		*										Project based, authentic assessments to be developed and implemented by schools. Exemplars will be encouraged to be submitted to district so that they can be shared more widely.
1	RR or DRA	RR or DRA	RR or DRA*			*											
2	RR or DRA	RR or DRA	RR or DRA*			*											
3			RR or DRA														
4																	
5																	
6																	
7																	
8																	
9																	
10																	
11																	
EOC** (Alg II, Eng II, Bio, US Hist)	2 EOC Like Assmts (Optional - recommended given later in year)								1 EOC Like Assmt (Optional - recommended given later in year)				1 EOC Like Assmt (Optional - recommended given later in year)				

Notes:
1. Cells in RED represent proficiency assessments to be eliminated from assessment landscape (35% reduction)
2. Cells in ORANGE represent 18 opportunities for teachers and schools to substitute district proficiency assessments with their own assessments aligned to the standards for that cycle
3. Conduct pilot where schools/PLC teams submit proposal to use district assessment items or teacher generated common assessments aligned with standards
4. Primary Grade Literacy Benchmark Assessments: Letter ID (3 x yr or until met benchmark); RR – Running Record; DRA - Developmental Reading Assessment; PAT - Phonemic Awareness Test (2 x yr or until met benchmark); HRSW - Hearing & Recording Sounds in Words (2 x yr or until met benchmark); Bellarmine Literacy Project schools use Accumaticity instead of Running Record (Grades 1-3) and Developmental Spelling Analysis (Grades 1-3); * State Required Diagnostic (K-2) in Reading & Math
5. ** EOC can be administered at any grade level depending on when students are enrolled in the course
6. Curriculum and Instruction Division will continue to offer opportunities for teachers to be involved in the design of proficiency assessments as well as opportunities to review and provide feedback on draft assessments
7. Assessment windows have open end dates (except State required assessments)
8. District diagnostic assessments remain optional for schools for the 2016-17 school year and we will continue to review opportunities to scale back diagnostics (i.e. optional for PLC teams)

The school level measures of effectiveness are under the guidance of the individual school principal for implementation and impact via school level monitoring in PLCs. Although there is a district-wide expectation for PLC work, there is no district-wide PLC format or way to evaluate the effectiveness of them. There is varied evidence of PLC structure and effectiveness among areas. There is limited evidence that instruction is adjusted based on data from PLC meetings. Some schools reported their PLCs use of Proficiency Assessment

data had them on track for meeting Annual Measurable Objective (AMO) although Measures of Academic Progress (MAP) data did not indicate being on track; ultimately some Kentucky Performance Rating for Educational Progress (KPREP) scores were not congruent to Proficiency Assessment data. Even though it was reported that MAP data was more accurate, schools are still required to use Proficiency Assessments as their predictor resulting in schools not accurately predicting student success. Goal Clarity Coaches are integral in the data analysis process in some schools, guiding PLC work with teachers; however, not all Goal Clarity Coaches have the same expertise in data analysis. Additionally, some schools indicate that data analysis is not part of professional training provided to all staff. This oversight may result in using inaccurate data analysis to make informed and correct decisions.

Administrators indicate that classroom walkthroughs, in various forms, are another mechanism for determining effectiveness of curriculum and instruction processes. The walkthrough process is not consistently implemented throughout the district.

Interviews reveal that teachers may not understand their instructional needs based on lack of immediate and limited specific walkthrough feedback.

What processes are in place to ensure that rigorous, engaging instructional strategies are used in classrooms?

While there is evidence that classroom walkthroughs exist, the autonomy for the instrument, frequency, and feedback remains with the school level leadership. Walkthrough instruments, as part of the evidence provided, include both rigor and engagement as components which are monitored. However, the degree to which these walkthroughs and feedback impact instructional practice and/or student achievement was not evidenced. The walkthrough process is not consistently implemented throughout the district. In some areas, instructional rounds and scheduled peer reviews are implemented in schools but not consistently. Feedback from walkthroughs, when conducted, is not immediate or consistently provided to improve the use of effective instructional strategies in classrooms. Furthermore, professional learning opportunities are provided on instructional strategies and in some cases meet the needs of the teachers and schools and for others it does not. Interviews also reveal that teachers may not understand their instructional needs based on lack of immediate and limited specific walkthrough feedback. According to interviews, school level professional development equipped teachers to target their own individual and student needs, while district level professional development is related to district initiatives (e.g., Vision 2020 Deeper Learning).

School level interviews indicate that many PLCs use the "Big 4" questions (e.g., What do we expect our students to learn? How will we know they are learning? How will we respond when they don't learn? How will we respond if they already know it?) as a guide to their instructional work. Subsequently, interviewees reported an understanding that their JCTA contract limits the number of school/district driven PLC meetings per month. PLCs meet once per week and it is reported that half of the required meetings are at the principal discretion. If the principal requires a 3rd PLC meeting, there cannot be a faculty meeting during that month. The PLCs, whether teacher driven or principal/Goal Clarity Coach driven, may discuss instructional strategies.

However, strategies may not be meeting the specific needs of student groups (e.g., ELL students, special education students, students with behavioral challenges, accelerated learners).

The Comprehensive District Improvement Plan (CDIP) does not explicitly address the Kentucky Board of Education required goals in the areas of proficiency, gap, growth, novice reduction, college/career readiness, and graduation rate. While the goals within the plan are similar to the goals outlined in Vision 2020, they do not address rigorous, engaging instructional strategies causing a missed opportunity for creating concrete action steps around these areas. Subsequently, interviews illustrated a discrepancy around congruency/alignment between Vision 2020 and the CDIP.

What evidences are there of alternative programming for students?

According to the JCPS Board policy under Alternative Schools, "The board of education shall develop and establish alternative school programs which shall reflect the goals and philosophy of the Jefferson County Public Schools. Alternative school/program curriculum expectations shall not be less than curriculum expectations in non-alternative programs in core content subjects (math, science, language arts and social studies)."

Based on the Student Support and Behavior Intervention Handbook, "alternative placement helps students improve academic skills, become more self-sufficient, and develop self-control. Students who fail to control their behavior after receiving repeated disciplinary measures from the school or students who commit serious offenses will be suspended to Student Due Process so that their cases may be expedited for alternative placement."

Interviews and district organization chart confirm that Alternative programming resides under the direction of the Area 5 Assistant Superintendent.

School level interviews revealed various opportunities for students in JCPS through its varied types of schools and school programs (e.g., magnet, traditional, comprehensive, academy, International Baccalaureate, Advanced Programs, Newcomer Academy, Teen Aged Pregnancy Program, alternative). The district is trying to change the culture of the system to ensure that alternative programs become a choice that meet individual student needs rather than being punitive in nature. Students can select three prioritized choices for the schools they wish to attend; however, if they are not chosen or selected for any of the three choices, they are placed in their residence area school. Ultimately, the school where they are placed may not meet their unique learning needs. Opportunities exist for various types of alternative programing, but access is not available for all students in need due to limited availability of specialized programs (e.g., alternative, traditional, EL) resulting in equity and access issues.

While the process for entrance and exit for alternative programming/placement is outlined in the Student Support and Behavior Intervention Handbook, interviews indicate these processes are not clear to school level staff. This causes confusion across the district on how a student enters and exits an alternative program.

What documents, policies, procedures are being used to ensure curriculum/ special education requirements are being met?

Onsite interviews reflect an understanding of the current organizational chart in relation to exceptional child education. Layers of coordinators, psychologists, specialists and teachers perform specific roles to provide student services. Each summer, a legal team reviews the policies and procedures around services for students with disabilities and the JCPS placement specialist is charged with carrying them out. School level employees utilize the Student Support and Behavior Intervention Handbook which outlines acceptable behavior and appropriate consequences for unacceptable behavior.

According to the comprehensive district improvement plan in relation to Goal 1: Deeper Learning: "Each student will progress toward mastery of both academic standards and the capacities and dispositions necessary for success in college, career, community, and life, the Activity 1.1.7.3 states, ECE Specialist will provide ongoing professional development to include training and coaching on differentiated instruction based in areas of literacy and mathematics needs as determined by student data analysis specifically to teachers teaching students with disabilities." Interviews support that these trainings do occur (e.g., summer curricular professional development sessions, co-teaching sessions and modeling, Low Incidence Institute, ARC chairperson training); in addition, interviews indicate that these trainings may not be well attended by relevant stakeholders.

The district does have policy and procedures for academic and behavioral intervention. Handbooks have been developed to highlight and explain these systems for targeted audiences.

The guiding principles of the JCPS Student Assignment Plan are choice, quality, diversity, predictability, stability and equity. However, data indicate that there are some schools where there is a disproportionate percentage of African American and Free/Reduced Lunch (e.g., percentage too high or too low) resulting in inequity and lack of diversity in some schools. This also creates limited access to specialized programming (e.g., EL, autism, mental health services, behavior supports) based on individual student needs.

Some interviews in the schools visited revealed that there are unwritten district practices that manipulate data to ensure that disproportionality is lower than actual or reported cases (e.g., failures, suspensions, special education placements, special education identification, restraint/seclusion, ELL). Interviews reveal that some schools do not always make decisions that are best practice or policy in order to meet data expectations of the district (e.g., can only retain three students a grade level, will not suspend based on race/gender, number of students referred to alternate settings; parents called to take child home equals an absence instead of a suspension). Traditional and magnet school guidelines indicate students with behavior or academic issues may be removed from that setting and placed in their resides school.

While walkthroughs exist, in some schools the data collected may not result in ensuring curriculum requirements are being met. Some PLCs review academic and behavior data to identify areas of concern (e.g., need for intervention, different placement, name and claim, areas of frequent behavior issues). However, there was little evidence of instructional or programmatic changes to address the identified needs. Positive

Behavior Intervention System (PBIS) or Academic and Behavior Response to Intervention (ABRI) team exists in some schools and teams meet monthly to review behavior data; however, many schools have an ineffective team or no team at all and do not implement a positive behavior intervention system with fidelity. There is a proposed plan in place for the 2017-18 school year that will allow 18 schools to pilot PBIS and Restorative Practices.

How do you measure effectiveness of these processes?

Interviews reflect that the monitoring and reviewing of ECE folders, referrals, and intervention plans provided are used as measures of effectiveness. However, there does not seem to be a clearly documented process that provides the protocols for ways these measures are used or applied to determine success for students or to inform their instructional next steps.

While the district has developed proficiency assessments and utilize CASCADE for fresh data and analysis, there is limited evidence to support how true disaggregation informs deep instructional process issues or school improvement planning that affects all students. Artifacts do not illustrate a formal and consistent system for monitoring teachers' use of instructional process to deepen and extend learning as a result of school level autonomy.

Based on numerous interviews, the work of academic offices at the district level is collaborative in nature on some levels including compliance of regulation, procedures and policies. The evidence does not show that collaborative and common efforts consistently reach the depth necessary to measure the collaborative effort and its impact on student growth and achievement.

School level interviews communicated that the effectiveness of curriculum and instructional processes are measured by various points of data (e.g., PLC, Proficiency Assessments, state assessments, MAP, formative, summative). Additionally, schools communicated that alternative placement needs of students are not being met due to overcrowding, availability, resources, choice, transportation and district placement. There was little evidence that a fully functioning and effective system of alternative placement and programming is in place.

DEPLOYMENT

What evidence is there that the processes identified are deployed with fidelity throughout the organization?

Curricular processes are monitored at the district level via student level performance results in Classroom Assessment System and Community Access Dashboard for Education (CASCADE) two or three times per year, depending on grade level and content area. Curricular and instructional processes are both monitored at the school level via administrative walkthroughs and the PLC processes. The district allows school autonomy for the assessments administered in addition to the proficiencies, walkthroughs, and PLC processes (e.g., content,

documentation) making fidelity of implementation difficult to track at the district level (not all school instruments track implementation of curriculum and instruction in the same way).

School level data review and interviews indicate there is a lack of evidence that a review of processes is changing instruction or making an impact on increased student achievement. The following items listed below demonstrate/contribute to issues with fidelity of implementation of these processes:

- District walkthrough process is not occurring in all buildings and at all levels
- Use of Extended School Services (ESS) day time waiver to provide intervention
- Intervention time (Students that report early or leave late – schools drain resources for supervision, but do not have the resources to pay for intervention)
- School autonomy – not all schools follow curriculum maps and pacing which creates issues with proficiency assessments for transient students
- Lack of district support – inequities in support (e.g., lack of textbooks, content specialists, manipulatives, Mental health services)
- Instructional inequities among the disproportion schools
- Lack of knowledge of instructional policies
- Inconsistent funding for school level staffing needs (e.g., transition teachers, resource teachers, and goal clarity coaches)
- Lack clearly defined roles and responsibilities for Goal Clarity Coaches
- The curriculum maps and pacing guides push the content too quickly to meet the timelines of the proficiency assessment skewing the student data.
- Student Assignment Plan

While there are processes in place to provide opportunities for specialized placement and programs, there is limited evidence of monitoring to ensure deployment with fidelity in all schools across the district. The following items demonstrate/contribute to issues with fidelity of implementation of these processes.

- Schools who have students who have met requirements for placement do not get placed because of space availability.
- Disproportionality issues: some schools make the numbers fit in order to make the processes work (ex. Can only retain 3 students a grade level, will not suspend based on race/gender, a cap on the number of students referred to alternate settings)
- Opportunity vs access – all students have opportunities but may lack access and equity in placement
- Gifted and Talented services are not provided to all identified students in all buildings (Depends on leadership and choice)
- Manipulating data to play a numbers game (Services for students are being delayed because of inaccurate or nonexistent data – data not following if student moves, data quality is a systemic issue)
- In some instances, the December 1 child count plays a factor in delaying identification and placement of students.
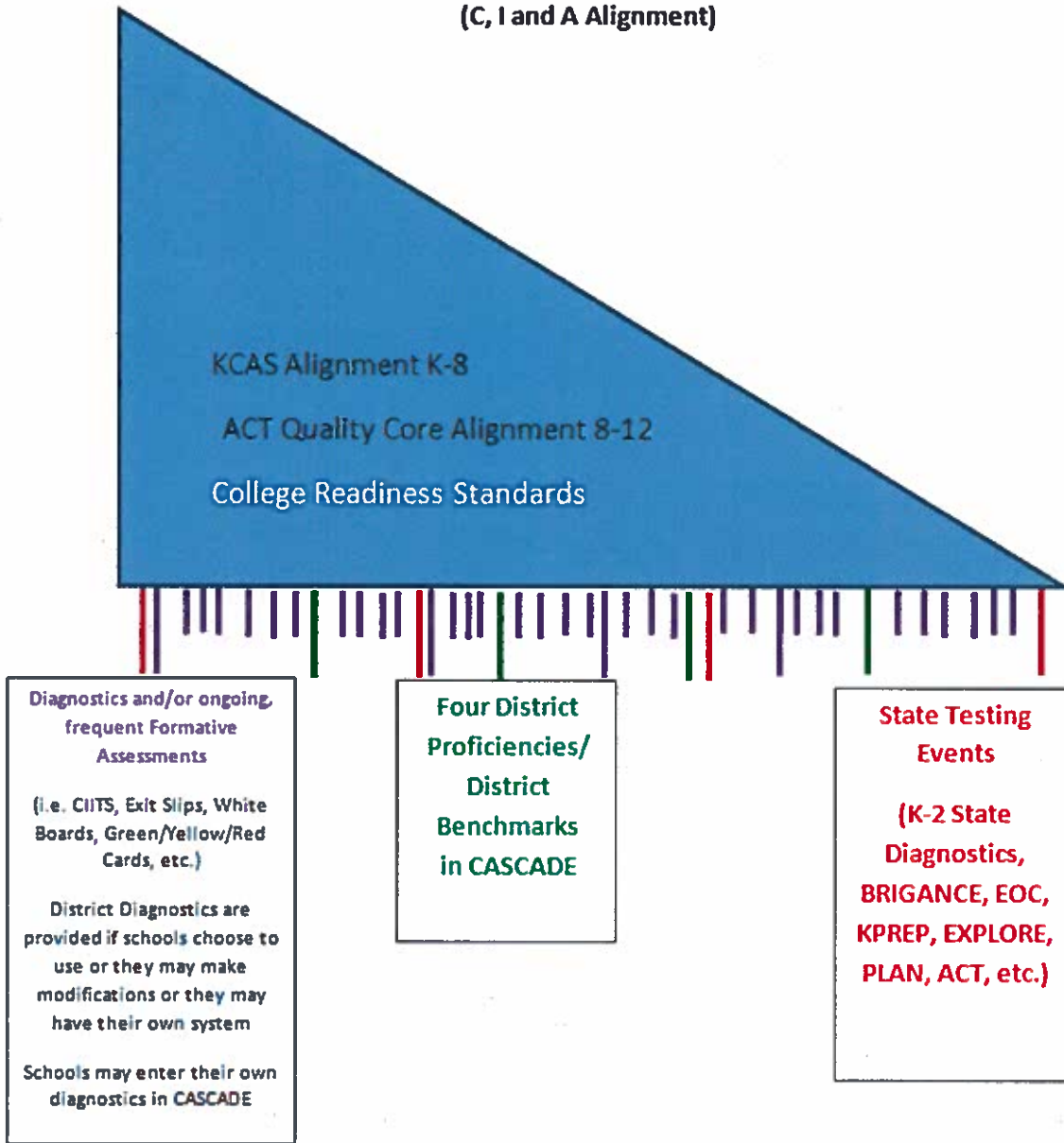
- Some schools are not allowed to start new programs because it will interfere with existing programs at other schools.

LEARNING

What processes are in place to use data and information to improve learning processes?

Jefferson County Public Schools utilize a software platform, CASCADE, which is a data warehouse of student level performance data. This system provides multiple reports including an accountability and goal calculator. The district has also created multiple assessments in the form of formative Diagnostics and summative Proficiencies assessments. School level teams have the ability to create common grade level assessments that can be uploaded to the CASCADE system. Schools have the option to purchase other benchmarking tools (e.g., Measures of Academic Progress) as part of the data and information collected. The diagram below outlines the district's balanced assessment system with curriculum, instruction and assessment alignment.

Big Picture – Balanced Assessment System
(C, I and A Alignment)

KCAS Alignment K-8

ACT Quality Core Alignment 8-12

College Readiness Standards

Diagnostics and/or ongoing, frequent Formative Assessments

(i.e. CIITS, Exit Slips, White Boards, Green/Yellow/Red Cards, etc.)

District Diagnostics are provided if schools choose to use or they may make modifications or they may have their own system

Schools may enter their own diagnostics in CASCADE

Four District Proficiencies/ District Benchmarks in CASCADE

State Testing Events

(K-2 State Diagnostics, BRIGANCE, EOC, KPREP, EXPLORE, PLAN, ACT, etc.)

Teachers and administrators use walkthrough data, if available, and assessment data as part of the PLC (both principal PLC and teacher PLC) processes. Interviews and review of sample PLC agendas communicated "what we're doing to meet or exceed Delivery Targets" and includes the following items:

3rd Grade Reading

- Intentional lesson planning/curriculum map/focus topics
- PLC time dedicated to analysis of Diagnostics and Proficiencies/ Using Student Reflection templates
- Continue using vocabulary to determine meaning of academic and domain specific words

- Orton-Gillingham implementation of prefixes, suffixes, bases, and vocabulary
- Re-teaching and looking deeper at different types of text and determining structure
- Extended School Services (ESS) groups focusing on key ideas and integration of ideas
- Use student CASCADE data to target interventions designed to meet student's individual needs
- Complete error analysis as a team and do an error analysis with students
- Enrichment opportunities designed to move students from Proficient to Distinguished
- Targeted interventions designed to move students from Apprentice to Proficient
- Targeted interventions geared toward novice reduction
- Students using data folders to set individual growth goals through the MAP assessment given three times a year

What evidence is there that these are working?

There is an assessment system in place that provides school and district level data and each school has some form of PLC process in which data is used for various purposes (see above sample evidence), there is limited evidence that indicates the analysis of this data improves the learning processes in every school in all classrooms.

While various walkthrough and PLC processes are in place throughout schools, it is not evident that the processes are implemented with fidelity and have an impact or create a need for change in instructional practices or teacher effectiveness. There was limited evidence that programs or processes are evaluated. The consistency to which programs are implemented with fidelity and monitored varies across schools in the district.

In schools with a fully functioning PBIS systems, there is evidence of positive impact on student behavior and school climate. Likewise, where weak or ineffective PBIS systems exist, there is evidence of increased behavior incidences.

In schools where inequities in resources and supports exist, interviews revealed there is culture of compliance from administrators and teachers as opposed to commitment to fidelity of implementation of initiatives to improve student success.

What data and information are used?

While there is clear evidence that work has been done to develop and implement the Certified Evaluation Plan (CEP), interviews did not reflect the use of the CEP as a data point for decision making at the school and district level. Some school level walkthrough instruments are designed to monitor the curriculum map content (e.g., Kentucky Academic Standards, ACT Quality Core, Proficiency assessments) and pacing. School level interviews indicate that the effectiveness of curriculum and instructional processes are measured by various points of data (e.g., PLC, Proficiency Assessments, state assessments, MAP, formative, summative, non-academic data).

<u>**INTEGRATION**</u>

How is the learning from each of the levels used to improve the overall system?

Based on document reviews and numerous interviews, evidence of a systematic, intentional process to ensure continuous improvement efforts that is communicated across levels throughout the Jefferson County Public Schools remain inconsistent. During interviews, there was confusion concerning alignment of the CDIP goals to the Vision 2020 goals and some interviewees were not aware of either set of goals. Interviewees could not describe a formalized process by which there was alignment of Comprehensive School Improvement Plans around the district vision or goals.

Based on evidence reviewed, inefficient and lack of communication remains a barrier to continuous improvement even for the daily work of district/school employees. More specifically, internal communication evolved as a greater issue than external communication as the external pieces are actually assigned to various employees via job descriptions. Additionally there is not an intentional and consistent two-way communication structure in place. Although there are some systematic processes (e.g., data analysis team, Principal Professional Learning Community) for the work of the leadership, still the communication of the implementation, barriers or next steps do not systematically reach the appropriate target audiences for effective improvement.

School level interviews reveal the district has documented processes, practices, and procedures for monitoring and evaluation, communication structures, elimination of equity gaps, and the equitable distribution of resources and supports. However, there is limited evidence to support a continuous improvement system that will allow for the implementation and monitoring of processes, practices, and procedures with fidelity.

Instruction Management Recommendations:

- While Vision 2020 (3.2.1, 3.2.2, 3.2.3, 3.2.4) focuses on communication with external partners including parents and business community, communicating the daily actions of the work of departments and work groups within the organization must flow from strategic (current state) to the operation level (desired state), ultimately all the way to the seat of a student. Create a formalized plan that focuses on two-way communication including horizontal and vertical internal communication which is harmonized across all processes and work groups to support organization-wide goals. As part of this formalized internal communication plan, there should be accountability for execution of this plan at all levels (e.g., superintendent, cabinet members, assistant superintendents, middle level management, school administrators, teachers).
- While valid processes and protocols have been created around curriculum, instruction and assessment, they have not been consistently implemented with fidelity system-wide to ensure sustainability and repeatability that would result in continuous improvement. Along with inconsistent implementation, also lacking is a consistent process for measuring the effectiveness of policies/procedures to create change in policy and practice. Create a

system with actionable, time-bound steps and person(s) responsible (e.g., 30/60/90 day plans) to monitor implementation of processes and measure their effectiveness at all levels.

- As part of this system, there should be accountability for execution of this plan, as well as professional learning provided as needed, at all levels (e.g., superintendent, cabinet members, Area Assistant Superintendents, middle level management, school administrators, teachers) to ensure effectiveness.

V.   INSTRUCTIONAL MANAGEMENT-Career and Technical Education

APPROACH

Who is the leader of the curriculum and instructional processes in the district?

The College and Career Readiness (CCR) Director for the district is the head of Career and Technical Education (CTE). The five District Pathway Specialists that work for the CCR Director are in charge of working with schools to make pathway and instructional decisions. However based on interviews, Pathway Specialists, while the experts, say they lack the authority to ensure the fidelity of the course offerings in pathways at the school level. They must instead work to convince and market to the school leadership, who have ultimate decision making responsibility over courses taught at the school level. At some schools, the CTE Department Chairs (CTE Coordinators) said that they make recommendations to the Instructional Leadership Team, who make decisions on the direction of CTE programs.

What processes are in place to ensure that core curriculum is aligned with state standards processes and horizontally aligned within the district?

The District Pathway Specialists conduct the JCPS CTE 12.0 Proficiency Check of CTE programs in the schools at the beginning and end of the year to determine where schools start and the improvement made during the year regarding their status in relation to the criteria that is scored on a 0 or 1 scale. Interviews indicate this process is new and is not fully implemented (e.g., end of year visits were not scheduled). Additionally, findings do not appear to be shared with school leadership. Other than this process we saw little to no evidence of any additional processes taking place to ensure alignment. At the school level, advisory councils are tasked with determining alignment to standards, but the effective use of the advisory councils is left to the discretion of the CTE teachers. Some schools have not ensured that the advisory councils meet the makeup requirements outlined in the Perkins Act, (e.g., school leadership was not included in the advisory council) nor do some of the advisory councils play a role in pathway development.

The district has begun a process to convert 11 high schools to Talent Development Academies that will begin in the 2017-18 school year. This new design will include new principal and counselor positions for each academy in each of the 11 schools. These new positions will be tasked with overseeing their academy, which will include monitoring of the ability to meet business and industry needs. As part of this new structure, there will be major business and industry partners collaborating with schools. The other high schools will remain as

structured today with the same processes in place for CTE. There is a potential to expand to more schools in following years.

How do you measure effectiveness of these processes?

The district is measuring effectiveness of CTE programs through improvements made in the JCPS CTE 12.0 Audit and through CCR accountability. The CCR data is used to determine if schools are meeting the CCR goals set by the district. These processes may ensure that the district is aware of where schools are and what progress has been made, but have not yet been used to make decisions that ensure improvements in CTE programs.

The school monitors effectiveness of programs based on students' preparedness for college and use academic assessments to determine status. These processes determine if students meet college and career readiness benchmarks and what assessments students need to take to be deemed college and/or career ready. There was little to no evidence that schools were analyzing data to support career readiness. Additionally, there is no evidence that these processes are helping to improve the quality of CTE programs.

An overriding theme of interviews conducted in the district and schools showed a lack of understanding of CTE as a whole. This makes measuring the effectiveness of programs difficult. One example of this is that schools consider themselves to be college preparatory institutions and only look at college going rates to determine if their school is effective. Interviews indicate that schools do not consider CTE to be a viable option for students going to college.

What processes are in place to ensure that rigorous, engaging instructional strategies are used in classrooms?

The District Pathway Specialists are reviewing course and pathway offerings in the schools to ensure correct course progressions are in place. The process is designed to ensure that pathway progressions are more rigorous and challenging as students progress. However, a review of student transcripts and schedules show that while correct courses are in place for the pathways, proper course sequencing is not occurring in many cases. This has led to many course sequences for students that include numerous entry level courses and many courses that are taken out of sequence. In some schools students have taken the first part of a course early in one year and the second half at the end of another year.

School leadership teams conduct both non-evaluative classroom walkthroughs and teacher evaluations designed to ensure that rigorous instruction is taking place. Additionally, they are reviewing CCR data and Kentucky Occupational Skills Standards Assessment (KOSSA) data to measure effectiveness of classroom rigor and engagement. Many school personnel discussed interventions for seniors who do not meet ACT benchmarks and district proficiency assessments. Although, review of data from KOSSA and Industry Certifications show that assessments are passed at a lower percentage in the district as compared to the state and that the number of industry certifications are earned at a lower rate.

The percentage of 2015-16 graduates enrolled in CTE pathways that pass end of program exams in the district (29%) is much lower than the state average (43%). The low pass rate may be due to the correct standards not being taught in the appropriate course. Additionally, transcripts show that students are not taking an accurate sequence of courses.

What evidences are there of alternative programming for students?

CTE is seen as an alternative to college preparedness by many school personnel and some district personnel. CTE is often only discussed for the students not going to college. A review of 2015-16 CCR data shows that of the 6,106 graduates, 2,476 were not ready for college and only 242 of those were career ready. CTE courses are often scheduled as electives as opposed to part of a pathway. There is no process in place to integrate CTE pathways with core academic standards in schools or in the district. Based on interviews, professional development and PLCs are structured so that CTE teachers work in isolation rather than with academic teachers. As stated in the staff survey, conducted by KDE, "the disconnect between CTE staff and others," was a response to "what I like least about my school."

What documents, policies, procedures are being used to ensure curriculum/ special education requirements are being met?

The district CTE Data Specialist reviews data in Infinite Campus and uploads to Technical Education Data System (TEDS) to ensure data has been entered by the deadlines. The CTE Data Specialist trains school clerks to enter data into the TEDS tab of Infinite Campus. Interviews and evidence suggests that this process and training are inadequate for district needs. Data decisions are not being made by the clerks, but by the CTE Coordinator in the school. However, there is no evidence that the CTE Coordinator is receiving training in order to make these decisions. These decisions include student objective, credit hours, and completer status. The current review process ensures that data is entered, but does not ensure accuracy of the information. JCPS is the only district who does not permit school-level CTE Coordinators to participate in state-led TEDS training.

There is limited evidence that school level CTE Coordinators have received the sufficient Perkins and TEDS training to ensure that all requirements are being met. Additionally, district Pathway Specialists lack access to TEDS which in turn limits them from being able to make and assist with data driven decisions to develop policies and improve pathways.

At the district level, purchase orders are being signed off by CTE Finance Specialist before purchases are made. However, the purchasing process allows the signee to approve the purchase order without reviewing the actual invoice to verify whether the purchases are allowable under the specific funding mechanism.

District Pathway Specialists are reviewing course offerings in their schools to ensure correct course progressions are available in the school. A review of student transcripts and schedules showed that even though course progressions are available, students are not scheduled accurately into those progressions in many cases.

The JCPS CTE 12.0 Proficiency Check process is being used to determine program improvement during the year. The CCR director is meeting with pathway specialists to discuss this data. This is a new process and it is yet to be determined if it will lead to positive improvement of CTE. There is little to no evidence to support that the data is shared with school leadership to help with determining next steps for improvement.

How do you measure effectiveness of these processes?

There is little to no evidence that verification of effectiveness of processes around CTE is happening. Data indicates that the processes in place do not ensure effectiveness. Furthermore, these processes hinder the ability to be effective. Current district processes do not allow requirements, information, data and training from KDE to reach school staff who are tasked with ensuring effectiveness. This leaves school leaders with limited information concerning requirements of CTE limiting their ability to create processes to improve effectiveness.

DEPLOYMENT

What evidence is there that the processes identified are deployed with fidelity throughout the organization?

There are processes in place for the deployment of various required activities relative to CTE. Evidence revealed that these processes while followed, are not producing accurate results (e.g., credit hours, attend hours, student objectives, preparatory status, industry certifications) which impedes the effectiveness of these processes.

Based on interviews and observations, purchase orders, at the district office, are being signed off by the CTE Finance Specialist before purchases are made. However, the purchasing process allows the signee to approve the purchase order without reviewing the actual invoice to verify whether the purchases are allowable under the specific funding mechanism.

The district provides a process for the verification of enrollment in CTE. A Data Spreadsheet is being provided by CTE Data Specialist for schools to verify enrollments. The school CTE Coordinator then completes the spreadsheet and the school data clerk enters this information into Infinite Campus. Both school and district interviews indicate this process is being followed by all schools in the district with fidelity; however, it does not ensure accuracy. The resulting errors can only be corrected at the school level. These errors often go unnoticed until critical moments (e.g., end of the year CCR data is calculated) when data is required for another purpose. This leads to students being improperly identified as preparatory and/or career ready. In addition, interviews indicate the district is recording inaccurate attend hours which leads to the district receiving more locally-operated area vocational center funding than they are eligible to receive.

Additionally, the Data Spreadsheet provided by the district CTE Data Specialist includes pre-calculated Attend Hours, which are used in calculation of funding to schools supported by state locally operated funds. These miscalculations result in over-inflating the number of service hours. The result is that the district receives more funding than it should, causing other districts to receive less funds.

LEARNING

What processes are in place to use data and information to improve learning processes?

There are processes in place for the use of data and information to improve the learning processes; however, the evidence presented strongly suggests that these processes are not effective in providing the data necessary to inform the improvement of learning processes. Examples of the evidence provided/reviewed during interviews and site visits include:

- Review of KOSSA data by advisory councils.
- Review of academic assessments with remediation provided in preparation for retakes, as necessary. There is little to no evidence that this attention is given to CTE assessments. Only 29% of 2015-16 graduates enrolled in CTE passed end of program assessments.
- Review of college going rates based on a survey provided to seniors prior to graduation.

What evidence is there that these are working?

There is little to no evidence to support the effectiveness of the processes for data review to improve learning processes.

- Interviews and data review indicate that KOSSA data is often not reviewed by advisory councils or school leadership.
- Based on school-level interviews, there is no formalized process in place to review CTE assessment scores consistently in all schools. Additionally, a review of 2015-16 data indicates that 5,004 graduates were enrolled in CTE and only 1,466 of them earned a KOSSA certificate or Industry Certification.
- Retention rates, which indicate successful transition to college and career after high school, are based on surveys provided to seniors prior to graduation. There is no evidence that any data beyond this is being utilized in the schools. High school feedback reports are unknown throughout the district.

What data and information are used?

Both district and school-level interviews indicate that several data are used in the efforts to improve learning. These include the use of College and Career Ready (CCR) data, KOSSA scores, Proficiency Assessments, Senior Transition Surveys and reviews of the number of completers.

- CCR data is reviewed primarily to address mainly academic and college readiness. Career readiness is only addressed in reference to "getting those points."
- Interviews indicate that KOSSA scores are rarely, if ever, reviewed.
- Senior Transition Survey is an inadequate reflection of the required transition data, as it provides no factual evidence of what the student actually does after graduation.

- A review of data indicates that the number of completers in each school is being inaccurately reported. This is reflective of the limited understanding and need for training of school-level CTE staff relative to required data input.

INTEGRATION

How is the learning from each of the levels used to improve the overall system?

There is very little integration between the schools and the CCR Director at the district office to affect program improvement. School-level interviews indicate that all directions for CTE are filtered from the district office. District-level interviews revealed that the schools have the ultimate decision around CTE and the district office can only make recommendations. Therefore, there is not a clear understanding of ownership and limited communication around guiding program improvement.

There is limited evidence that the district has a process to ensure student, community, business and industry needs are being met for all schools. Additionally, there is limited evidence that the district CTE leadership is utilizing the interest of students and the needs identified in the Labor Market Information (LMI) to ensure that the needed pathways are being developed.

However, the district is starting a new initiative for the 2017-18 school year entitled the Talent Development Academies with eleven schools that have opted to participate. The district has used labor market information and business involvement to create the pathways in the academies. It is yet to be determined if the academy model will help with the integration of learning and communication between the schools and the district office.

CTE Recommendations:

- The District CCR Coordinator should create a process that ensures that the benefits and the value of CTE are clearly communicated to all school leadership and become part of the district's culture.
- The District CCR Coordinator should collaborate with school leadership to ensure that all school staff understand the opportunities that CTE programs provide for all students. This message should also be shared regularly with students and parents.
- Establish a process that ensures all CTE coordinators are trained in TEDS and Perkins requirements.
- Establish a process that allows Pathway Specialist and school leadership access to the career and technical data system, TEDS.
- Establish a process to ensure that all district staff explore opportunities for integrating core academic curriculum and CTE curriculum to promote connections in student learning.
- Create written processes that address data collection and accuracy, finance, reviews of program standards by both the district and schools, and student testing.
- All high school counselors should be trained on Career and Technical Education to ensure they understand CTE pathway scheduling requirements.

- Create a process that ensures advisory councils meet the member requirements outlined in the Perkins Act and are an integral part of the decision making process in pathway development.
- District CTE leadership should ensure that the interests of students and the needs identified through Labor Market Information (LMI), specific needs identified by business and industry partners and specific data from the High School Feedback reports are addressed at all schools with fidelity.
- Establish a system by which the district CCR Director, school leadership and SBDM Councils are provided with all data and training necessary to make informed decisions relative to determining appropriate CTE course and pathway offerings.

Report Recommendations

Planning Recommendation:

- KRS 160.290 outlines the general roles and responsibilities of Board Members. However, interviews revealed there is involvement of Board Members in day-to-day management and operations of the district. A board protocol for ensuring proper training and alignment of responsibilities and roles of members must be enacted and monitored for improvement of board effectiveness.
- Examine and improve the alignment of central office work and personnel to achieve district goals and strategies. Alignment must include accountability for execution at all levels (e.g., Superintendent, Cabinet Members, Assistant Superintendents, middle level management, school administrators, teachers).
- While Vision 2020 (3.2.1, 3.2.2, 3.2.3, 3.2.4) focuses on communication with external partners including parents and business community, communicating the daily actions of the work of departments and work groups within the organization must flow from strategic (current state) to the operational level (desired state), ultimately all the way to the seat of a student. Create a formalized plan that focuses on two-way communication including horizontal and vertical internal communication which is harmonized across all processes and work groups to support organization-wide goals. As part of this formalized internal communication plan, there should be accountability for execution of this plan at all levels (e.g., superintendent, cabinet members, assistant superintendents, middle level management, school administrators, teachers).
- Implement a systematic monitoring process to develop new and review existing policies while ensuring policies are effective at the board of education, district and school level. As part of this formalized process, there should be accountability for execution of this plan at all levels (e.g., Superintendent, Cabinet Members, Area Assistant Superintendents, middle level management, school administrators, teachers).
- While the CDIP contains the required Kentucky Board of Education (KBE) goals, the expansive nature of the plan inhibits full implementation of actionable steps to guide the day-to-day work. Create 30/60/90 day plans for each department to ensure the CDIP is being fully implemented.
- The guiding principles of the JCPS Student Assignment Plan are choice, quality, diversity, predictability, stability and equity; however, based on interviews choice and diversity are championed above the other principles. Create a task force made up of shareholders (e.g., community members, parents, local officials, teachers, administrators, students) who are representative of the district demographics and geography to review the Student Assignment Plan to ensure opportunity, equity and access to all students.

Operational Support Recommendation:

- It is recommended that the district analyze bus routes (including double runs) for the most efficient and effective solution to the transportation challenges within JCPS.

- It is recommended that the district consider the addition of bus monitors for the routes that have students with greater than average ride times.
- It is recommended that the transportation department provide more in-depth pupil management and de-escalation training over the course of the school year, rather than a one-time training in the summer. Additional strategies and techniques to utilize on the bus will lead to a decrease in disruptive behaviors and ensure the safety of all riders.
- It is recommended that the compound coordinators should have more input concerning driver routes so that the best choice can be assigned to each route.
- It is recommended the district review the discipline policy to tailor the bus behavior issues to appropriate consequences. Application of the policy should be consistent district wide for all drivers, parents, and students to have the same expectations.
- It is recommended that the district develop a process that shares pertinent student behavior information (issues and triggers) with drivers to promote consistency in behavior solutions as well as to ensure the safety of all students begin transported.
- It is recommended that JCPS review the policy of allowing children whose behavior issues have escalated to be put on buses.
- It is recommended that JCPS review their bus monitor allocation to determine the number of staff required to ensure student safety.
- It is recommended that the district clarify and communicate to school administrators the proper procedure for documenting 'bus' suspension versus 'school' suspension.
- It is recommended that periodic observations at the school should be done by JCPS transportation staff to review the loading and unloading procedures that impact student safety.
- It is recommended that maintenance or construction projects that impact parking or traffic patterns at the school are communicated to Central Office transportation staff in a timely manner for appropriate action.
- It is recommended that a business continuity plan for transportation management be developed in the event the C. B. Young, Jr. Service Center facility becomes unusable. Likewise, a business continuity plan is needed for each bus compound and its fleet should that location become unusable.

Financial Recommendations:

- KDE recommends that the board members consider any and all additional revenue sources (e.g., nickel equivalent tax, utility tax) to address critical facility needs.
- KDE recommends board member training regarding the use of restricted district funds for the acquisition and holding of vacant real property.
- As required by board Policy 04.3111, KDE recommends that the board receives and approves a listing of invoices on the "Orders of the Treasurer Report" at monthly Board meetings.
- KDE recommends that the district develop a process that ensures all principals allow the SBDM council members to assist with setting the budget priorities and ensure that all council members receive the monthly financial reports for all school funds.

- KDE recommends that the board review and approve long-term cell tower rental contracts, to avoid the contracts lapsing and rentals continuing without Board approval and appropriate corporation signatures.
- KDE recommends that the Payroll Department create a process to confirm that the amount on the bank file as transmitted to and received by the bank matches the total of the payroll at the district end.
- Based upon the review of the expenditures within federal grants, KDE recommends the district perform a more in-depth review of the district's grants to ensure more equitable allocations to schools.
- According to fiscal management staff, many schools do not fully expend their state grant awards; therefore, the funds revert to district-wide control. KDE recommends that the district establish a process to provide more thorough training and periodic reminders to principals regarding their remaining available funds from all sources.
- KDE recommends that the CAE investigate the presence of grant funds in school activity accounts.
- KDE recommends that the district separates the pupil attendance and Redbook training functions from the internal auditing function, utilizing different individuals to maintain proper segregation of duties.
- KDE recommends a process be established to review all outstanding checks past six months from the month of issue and addressed as appropriate.
- A business continuity plan for Financial Management should be developed in the event the VanHoose building becomes unusable.

Financial Recommendation/School:

- As evidenced by information gathered during school level interviews, communication is lacking from Central Office to school level personnel. Most principals expressed the disadvantages of having Area Assistant Superintendents with 25 schools under each one. Communication is an area of much needed improvement. Transparency is a vital key to success and this is not observed in the JCPS network.
- It is recommended that all schools utilize one bank account for school activity funds. If a school changes banks, any outstanding checks should be voided, written off in the EPES system, and reissued under the new account if the recipient is known. Accounts that aren't being utilized, should not remain open for extended amounts of time.
- To maintain accurate records of expenditures and authorization of expenditures, KDE recommends credit cards be safeguarded and kept under lock and key to protect against unauthorized use as outlined in Redbook procedures. A sign-in/sign-out sheet should also be maintained.
- It is recommended that the district provide training to school level personnel for schools that receive funding through grants, so that someone at the school-level will have an in-depth understanding of the financial handling of grants and able to provide supporting documentation relating to the grant upon request during an external audit. The documentation surrounding grants may be maintained and controlled at the Central Office level; however, a basic understanding of the processes involved for the grant funded employees should exist at the school level. At least one member of the school personnel should be able to explain the procedures and policies that are in place to ensure grants are being properly allocated and accounted for per the constituents.
- It is recommended that the assistant principals and teachers receive annual training on Redbook activities that govern school activities as it is not merely enough to educate bookkeepers in this area.

For example, because multiple receipt forms begin in the classroom, it is important that teachers receive adequate training on multiple receipt procedures. Providing others with knowledge in this area will also help matters in the event a school bookkeeper should take leave unexpectedly, or during a replacement period if one leaves their place of employment.

- Dates should not be crossed out in ink on a purchase request form since this leaves room for questioning the validity of the documents being examined.
- It is recommended that all audit findings, including those at the school level, be rectified annually, so that the issues are not repeated in consecutive years.
- It is recommended that school level findings in the independent external audit be reported to the board by individual school and not just in summary form.

Personnel Management Recommendation:

- It is recommended that the Superintendent develop and implement a process to ensure that all Central Office employees are evaluated based on the duties described in their job descriptions.
- It is recommend that the Superintendent ensure that Supervisors (e.g., Cabinet members, Area Assistant Superintendents) are accurately evaluating their employees based on the duties described in their job descriptions.
- It is recommended the HR department develop feedback mechanisms within its operating systems that will provide constructive data and information for continuous process improvement.
- It is recommended that employee files be routinely audited for complete information.
- The HR department has no business continuity plan in the event the VanHoose building is no longer available due to a disaster.
- It is recommended that Central Office should provide opportunities for employees out in schools to participate in special events they hold in the main office.

Instruction Management Recommendations:

- While Vision 2020 (3.2.1, 3.2.2, 3.2.3, 3.2.4) focuses on communication with external partners including parents and business community, communicating the daily actions of the work of departments and work groups within the organization must flow from strategic (current state) to the operation level (desired state), ultimately all the way to the seat of a student. Create a formalized plan that focuses on two-way communication including horizontal and vertical internal communication which is harmonized across all processes and work groups to support organization-wide goals. As part of this formalized internal communication plan, there should be accountability for execution of this plan at all levels (e.g., superintendent, cabinet members, assistant superintendents, middle level management, school administrators, teachers).
- While valid processes and protocols have been created around curriculum, instruction and assessment, they have not been consistently implemented with fidelity system-wide to ensure sustainability and repeatability that would result in continuous improvement.

Along with inconsistent implementation, also lacking is a consistent process for measuring the effectiveness of policies/procedures to create change in policy and practice. Create a system with actionable, time-bound steps and person(s) responsible (e.g., 30/60/90 day plans) to monitor implementation of processes and measure their effectiveness at all levels.

- As part of this system, there should be accountability for execution of this plan, as well as professional learning provided as needed, at all levels (e.g., superintendent, cabinet members, Area Assistant Superintendents, middle level management, school administrators, teachers) to ensure effectiveness.

CTE Recommendations:

- The District CCR Coordinator should create a process that ensures that the benefits and the value of CTE are clearly communicated to all school leadership and become part of the district's culture.
- The District CCR Coordinator should collaborate with school leadership to ensure that all school staff understand the opportunities that CTE programs provide for all students. This message should also be shared regularly with students and parents.
- Establish a process that ensures all CTE coordinators are trained in TEDS and Perkins requirements.
- Establish a process that allows Pathway Specialist and school leadership access to the career and technical data system, TEDS.
- Establish a process to ensure that all district staff explore opportunities for integrating core academic curriculum and CTE curriculum to promote connections in student learning.
- Create written processes that address data collection and accuracy, finance, reviews of program standards by both the district and schools, and student testing.
- All high school counselors should be trained on Career and Technical Education to ensure they understand CTE pathway scheduling requirements.
- Create a process that ensures advisory councils meet the member requirements outlined in the Perkins Act and are an integral part of the decision making process in pathway development.
- District CTE leadership should ensure that the interests of students and the needs identified through Labor Market Information (LMI), specific needs identified by business and industry partners and specific data from the High School Feedback reports are addressed at all schools with fidelity.
- Establish a system by which the district CCR Director, school leadership and SBDM Councils are provided with all data and training necessary to make informed decisions relative to determining appropriate CTE course and pathway offerings.

REPORT OF FINDINGS RELATED TO EXCEPTIONAL CHILDREN SERVICES
KENTUCKY DEPARTMENT OF EDUCATION
DIVISION OF LEARNING SERVICES\
MANAGEMENT AUDIT SUMMARY
JEFFERSON COUNTY PUBLIC SCHOOLS

INTRODUCTION AND PURPOSE OF THE REVIEW:

The April 2017 Jefferson County Public Schools (JCPS) management audit resulted from a Kentucky Department of Education (KDE) management review of JCPS. The initial management review was conducted in fall 2016. It was initiated due to JCPS's failure to accurately report instances of student restraint and seclusion within KDE's Student Information System as required by law.

The results of the management review were set forth in Commissioner Stephen Pruitt's February 14, 2017 letter to the former JCPS Superintendent, Dr. Donna Hargens. The letter set forth 33 deficiencies in the instructional and operational performance of the district. Twenty of the 33 deficiencies were related to JCPS's restraint and seclusion practices and its disproportionate removals from school of students with Individual Education Programs (IEPs) who are African American. The specific areas cited were use of:

- student-level data
- positive behavior supports
- appropriate discipline strategies, including disciplinary removals such as in-school and out-of-school suspensions
- physical restraint and seclusion

The Division of Learning Services (DLS) was added to the KDE audit team because of its expertise with positive behavior supports, physical restraint and seclusion, discipline strategies and requirements for students with IEPs.

EVIDENCE CONSIDERED:

DLS staff conducted onsite visits to the JCPS central office and 19 elementary, middle and high schools, including choice and behavior support (alternative) schools. The schools were chosen by the DLS based on high numbers of suspensions of African American students with IEPs, high numbers of physical restraints or seclusions or both. The following investigative activities were held:

- formal interviews with JCPS staff consisting of:
  - o 316 school employees
  - o 47 JCPS central office staff
- additional informal discussions with school staff and students
- record reviews for 119 individual students with IEPs including:
  - o due process files
  - o student behavior records

Student records were chosen for review based upon the number of times the student had been restrained or secluded or the number of in-school or out-of-school removals of the student.

EXECUTIVE SUMMARY:

Based on an analysis of data reviewed by the DLS, the DLS has substantiated systemic findings of noncompliance under the IDEA as well as a failure to implement 704 KAR 7:160, *The Use of Physical Restraint and Seclusion in Public Schools*. The data included review of all requested

information, a study of trends in the school district's specific categories of student discipline, including in-school and out-of-school removals and the use of physical restraint and seclusion.

Just as the KDE has general supervision responsibility under the IDEA to ensure all school districts within the state comply with the IDEA, so does JCPS have the responsibility to require its schools to fulfil the requirements of the IDEA. The data and information studied by the DLS revealed the district does not discharge its responsibility over its schools. Instead, the JCPS organizational structure impedes the district's ability to model and deliver an appropriate, districtwide approach to its most significant need- that of behavior supports and student discipline. The results are significant violations of the IDEA and 704 KAR 7:160, The Use of Physical Restraint and Seclusion in Public Schools.

It is important to note that, while many of the deficiencies included in this report are specific to the IDEA, the JCPS Exceptional Child Education (ECE) branch has no leverage to remedy the IDEA violations. The governance and organizational structure of JCPS impedes ECE's ability to provide the required oversight of the district's special education program. Without the ability of ECE to require central office and school administrators to follow the law, JCPS will likely continue to violate IDEA as ECE does not the power to ensure compliance.

The reasons behind the district's deficits are complex. Because the root causes of the systemic issues are not the "fault" of ECE, but rather the result of a variety of issues including the governance and structure of the district. The ECE office will not be able to remedy these deficits without a change to the organizational structure of the district, including changes to the culture of the district

Over the years, several evidence-based professional learning activities have been provided across JCPS; however, the implementation, support and evaluation of such practices is currently ineffective or nonexistent. The reason for this may be the district's inability, rather than an unwillingness, to follow through with written and verbal commitments it made to meet the needs of all students. The barriers are complex and controversial as are the solutions. It is the belief of the DLS that JCPS will not be able to remedy these deficiencies by itself, unless it restructures its organization, including changes to the culture in the district.

Because KDE discovered numerous IDEA violations, an IDEA Corrective Action Plan (CAP) is required. The district and the DLS will work together to develop a CAP to set out activities that address the root causes of the noncompliance at the systems level. CAP activities that may bring JCPS into compliance for its systemic violations include:
- A cabinet-level department solely responsible for student behavior and discipline, with emphasis on:
  - -cultural competency and students with disabilities
  - -collection, analysis, utilization and evaluation of discipline data used to make decisions about individual students and systems of supports
- Development and maintenance of a full continuum of placements for students with Emotional/ Behavioral Disabilities (EBD)
- Separation of the Jefferson County Special Education Cooperative from the district

The original DLS's Report of Findings was provided to JCPS on October 9, 2017. The deficiencies specified in the Report of Findings were the basis for the district to develop a Corrective Action Plan (CAP). The CAP is the district's written improvement plan describing

the activities and timelines, with persons responsible for implementation, that will be implemented to remedy the areas of noncompliance under the IDEA. The KDE received and approved the CAP on October 17, 2017.

The DLS meets regularly with the district to review its progress toward fulfilling the requirements of the CAP. The DLS has conducted onsite meetings with JCPS on the following dates: October 9th, October 23rd, December 19th and February 16th. These meetings will continue until the DLS determines all the areas of noncompliance under the IDEA have been corrected.

In addition to the onsite meetings aimed at reviewing the progress of the CAP implementation, the DLS has identified a point of contact responsible for providing ongoing support and assistance to the district. This individual maintains an open line of communication with the district's director of special education and continually reviews data and sources of evidence the district provides to ensure CAP implementation is occurring with fidelity.

FINDINGS OF FACT

ISSUES	CITATION
Issue 1: Collection and Analysis of Student Discipline Data	• KRS 158.444 • 20 USC 1412 (a)(22) • 704 KAR 7:160
Issue 2: Significant Disproportionality / Comprehensive Coordinated Early Intervening Services	• 34 CFR 300.646
Issue 3: Positive Behavioral Interventions and Supports	• 34 CFR 300.646
Issue 4: Continuum of Educational Settings Under IDEA	• 707 KAR 1:350, Section 1
Issue 5: Disciplinary Procedures	• 707 KAR 1:340, Section 14 • U.S.C. §1415(k)(1)(F)
Issue 6: (ARC Process)	• 707 KAR 1:320 Sections 2, 3, and 5 • 707 KAR 1:350 Section 1(5)
Issue 7: Child Find	• 707 KAR 1:300
Issue 8:	• 707 KAR 1:290, Section 5

Supplemental Aids and Supports, Related Services and Program Modifications/ Supports for School Personnel	
Issue 9: Physical Restraint and Seclusion	• 704 KAR 7:160
Issue 10: Special Education Cooperative	• 2017-18 Application for *Kentucky Regional Educational Cooperatives* to receive grant funds under *Part B of the Individuals with Disabilities Education Act (IDEA-B)*

FINDINGS OF FACT

Issue 1:
Collection and Analysis of Student Discipline Data

1. Commissioner Pruitt ordered KDE staff to conduct a management audit of JCPS, based on data issues within JCPS (See Pruitt letter dated February 14, 2017).
2. In a letter from the former superintendent to KDE dated March 13, 2016, JCPS acknowledged there were 4,403 instances of physical restraint and seclusion "events" that had not been entered into Infinite Campus (IC), Kentucky's student information system.
3. These events were entered only into a JCPS data system known as CASCADE, resulting in the under-reporting to the KDE of thousands of restraint and seclusion events.
4. The JCPS response letter to Commissioner Pruitt detailed the tasks undertaken by JCPS to correct the deficiencies, including the commitment of significant amounts of time, money and effort to remedy the problem.
5. Due to the underreporting of physical restraint and seclusion, schools were instructed by JCPS administrators to cease the use of alternative discipline data platforms, such as CASCADE and Behavior Incident Logs (BILs).
6. The April 2017 DLS investigation revealed the following:
    - School staff reported being ill-prepared for the transition to the sole use of IC for the collection of discipline data.
    - Some schools continued to use alternative data collection methods in addition to IC. The DLS on-site review of due process folder review of students with IEPs confirmed alternative data platforms continued to be used in some schools, with dual data entries noted.
    - The student folder review confirmed physical restraint was implemented without documentation in IC.
    - JCPS staff told DLS that seclusion was not used in the district; however, DLS witnessed the use of seclusion rooms, with school staff confirming students were removed from the classroom and secluded in areas such as the hallway, principal's office or rooms known as Positive Action Centers (PACs).
7. The DLS review of school sign-out sheets revealed students were sent home for dress code violations (not wearing a belt), for acting out, behavior issues (coded as "BI") and suspension.
8. DLS staff cross-referenced the sign out sheets with the state edition of IC and discovered two major errors:
    - Some events were not documented in IC. Without the appropriate documentation in IC, there is no evidence the students were sent home by school staff. As a result, the IC behavior resolution, which is an out-of-school removal, is not collected or reported as part of the district's discipline data.
    - Sign outs that resulted in an IC out-of-school removal code were documented with a start date for the following day. If a student was sent home at the very beginning of the school day for trying to start a fight, the disciplinary resolution of suspension had a start date of the following day. IC reported the student received a one-day suspension. In actuality the student was removed from school for two entire days, but the documentation made his suspension appear to have

been only one day. School administrators voiced the need for a districtwide process for collecting, reviewing and responding to student-level discipline data.

9. School administrators reported difficulty managing day-to-day operations while also being responsible for the IC data entry of discipline referrals.
10. The lack of a districtwide process for collecting student discipline data at the school level resulted in responsibility for school-level data collection varying from school to school, resulting in inconsistency. Examples include:
    - Assistant principals are solely responsible for ensuring all office discipline referrals are documented in IC; or
    - Staff document the behavior event on the paper form and submit the referral to the administrator, who then enters all the data into IC; or
    - Teachers or other school personnel enter the data directly into IC.
11. Discipline data is used to determine whether a school district is in compliance with IDEA, including the federally required State Performance Plan Indicator 4B, which prohibits *significant discrepancy* in suspension and expulsion of students with IEPs based on race or ethnicity, in violation of 20 USC 1412(a)(22).
12. Discipline data is also used to determine whether a district has *significant disproportionality* in disciplinary removals of students with IEPs based on race or ethnicity in violation of 34 CFR 300.646.
13. Failure to comply with 34 CFR 34 CFR 300.646 results in school districts being required to set aside 15% of their federal IDEA funding for Comprehensive Coordinated Early Intervening Services (CCEIS).
14. In JCPS, 15% of IDEA funds must be set aside for purposes other than providing special education and related services, pursuant to the CCEIS requirement.
15. Since the 2010-2011 school year, millions of IDEA dollars have been "lost" to JCPS students with IEPs due to the district's failure to meet the CCEIS regulatory standards.

Conclusions:

A. JCPS devoted a substantial amount of time, effort and resources toward ensuring it correctly reports its discipline data, including the required entry of restraint and seclusion events. Nevertheless, there are numerous examples that the district's efforts have not resolved the issues of duplicate data platforms; omission of data, including restraint and seclusion events; and incorrect or failure to enter data into IC.
B. The lack of clear districtwide processes and coordinated systems of accurate collection and reporting of student-level data are not implemented consistently from the point of initial data entry through the review of data at both the school and district level.
C. No division is responsible for ensuring student discipline data is entered and reported accurately. Nor is there a system in place that requires schools to analyze data, develop activities to address root causes, then monitor implementation of the activities.
D. JCPS fails to maintain accurate data in the statewide student information system by failing to include all discipline events, in violation of KRS 158.444.
E. JCPS's failure to accurately report discipline data required by federal law resulted in a determination that JCPS complied with Indicator 4B under the State Performance Plan, when such was not the case, in violation of 20 USC 1412 (a)(22).
F. By failing to report all incidents of physical restraint and seclusion in the student information system, JCPS is in violation of 704 KAR 7:160.

<u>Issue 2:</u>
Significant Disproportionality under the IDEA

16. All the above Findings are incorporated by reference.
17. For six of the last seven school years (2011-12 through 2017-18), JCPS has been required to provide CCEIS due to significant disproportionality related to disciplinary removals of African American students with IEPs. See 34 CFR 300.646. Five of the six years of significant disproportionality findings were due to long-term out of school removals (greater than 10 days) of African American students. The sixth year was due to short-term removals (10 days or fewer) of African American students.
18. For the most recent school year for which discipline data are available (2015-16), out-of-school removals greater than 10 days for African American students occur at a rate 5.221 times greater than their non-African American peers. In-school-removals greater than 10 days for African American students with IEPs occur at a rate 4.034 times greater than their non-African American peers.
19. As a result of having significant disproportionality under 34 CFR 300.646, JCPS is required to set aside 15% of its IDEA Part B funds to provide CCEIS during the 2017-18 school year. This resulted in approximately 3.5 million dollars being taken away from the JCPS ECE program.
20. CCEIS are provided to students who are not identified as needing special education or related services, but who need additional academic and behavioral supports to succeed in the general education environment.
21. Discipline problems have caused the district to violate the IDEA and forced millions of IDEA dollars to be set aside for CCEIS since 2010; yet, there is uncertainty among central office leaders as to how CCEIS have been, or should be, implemented across the district.
22. Central office administrators were also unable to explain how CCEIS funds were being used.
23. The following JCPS divisions share responsibility for the discipline of African American students with disabilities:
    - The Chief Equity Officer is responsible for the oversight of equity and diversity.
    - The Achievement Area 5 Assistant Superintendent is responsible for positive behavior interventions and supports (PBIS) and restorative practices.
    - The Assistant Superintendent for Academic and Support Services is responsible for the ECE branch, trauma-informed care, youth mental health first aid and social emotional learning.
24. Collaboration and communication between these divisions is not occurring.
25. When specifically asked during interviews how the district planned to decrease the disproportionate removals of African American students with IEPs, each division leader admitted to being unaware of the policies and procedures that govern the operations of other divisions.
26. Each leader responded by recommending the DLS ask a different division.
27. Each division leader was unsure of his or her role regarding disciplinary removals of African American students with IEPs and equally unsure of how to assist in remedying the situation.
28. Central office staff confirmed there was a lack of communication between divisions, due to the structure of the superintendent's cabinet and extended cabinet.

29. The chief equity officer is a cabinet member, while assistant superintendents are members of the extended cabinet.
30. According to interviews, the director of special education (DoSE), who oversees the programmatic and fiscal responsibilities of the ECE branch, was a member of the superintendent's cabinet until the district was reorganized under the former superintendent, Dr. Hargens.
31. Currently, the DoSE does not have a seat at either the cabinet or extended cabinet.
32. ECE has no defined role in resolving disproportionate removals of African American students with IEPs that affect:
    - proficiency rates
    - dropout and graduation rates
    - the amount of funds available to educate students with IEPs, due to the substantial transfer of IDEA funds to provide CCEIS

Conclusions:
   A. There is no coordination among JCPS divisions which share responsibility for issues involving discipline strategies and ECE students.
   B. The district's organizational structure results in a lack of accountability in analyzing data for the causes of disciplinary removals and implementing activities to decrease the disproportionate disciplinary removals of African American students with IEPs.
   C. The ECE branch must have a seat at the cabinet level to coordinate conversations across offices to ensure appropriate oversight of discipline procedures is being implemented for students with disabilities, especially African American students.
   D. Due to the lack of appropriate oversight of ECE programs, JCPS is unable to exercise its IDEA responsibilities and violates 34 CFR.300.646 prohibiting significant disproportionality in the disciplinary removals of African American students with IEPs.

Issue 3:
Positive Behavioral Supports and Interventions
33. All the above Findings are incorporated by reference.
34. Positive Behavioral Interventions and Supports (PBIS) is the sole approach to addressing student behavior that is specifically addressed in the IDEA.
35. Congress's reasons for encouraging the use of PBIS stem from:
    - the historic exclusion of students with disabilities based on unaddressed behavioral needs, and
    - the strong evidence base supporting the use of PBIS.
36. The former JCPS superintendent and other central office staff reported an awareness and expectations for the implementation of PBIS for schools in the district.
37. In contrast, interviews with school staff indicate PBIS support is not provided equitably to all schools and students in the district.
38. As a result, school staff responsible for behavior supports do not consistently apply discipline strategies that align with an effective PBIS approach.
39. The universal level (Tier 1) of behavior instruction for all students was observed by the DLS to be piecemealed and the delivery of services did not meet the needs of the majority of students.
40. School visits also demonstrated staff's lack of knowledge and understanding for development and supports for Tiers 2 and 3.

41. Interventions often lacked positive, proactive instructional support.
42. Many schools use the Tiered Fidelity Inventory (TFI) to self-assess implementation fidelity at all tiers of PBIS.
43. Some schools that reported high TFI (fidelity) scores - which should reflect PBIS is being implemented with fidelity - showed little to no evidence of PBIS implementation during on-site visits.
44. In these schools, interviews confirmed PBIS was not implemented with fidelity.
45. District staff reported many school principals do not understand or believe in PBIS, which makes it challenging to keep schools engaged in the work.
46. District staff reported that, when school-level leadership made PBIS a priority, discipline rates declined.
47. District staff were able to provide examples of schools implementing PBIS with fidelity and discussed the decline of discipline events at these schools.
48. JCPS proposed a new initiative at its April 25, 2017 board of education meeting, explaining its plan for joining PBIS with restorative practices.
49. The plan to join PBIS with restorative practices focuses on 18 schools over the course of three years.
50. There is no strategic plan for scaling this work districtwide and no clear evidence as to the reasons schools were selected to participate. Further, there is no plan for sustainability.
51. During the 2013-14 school year, JCPS received extensive training in PBIS because of an IDEA State Performance Plan Indicator 4B Corrective Action Plan (CAP). The CAP was a result of multi-year violations of federal law, prohibiting significant discrepancy by race or ethnicity, in the rate of suspensions and expulsions of greater than 10 days in a school year for children with IEPs.
52. The violations were due to:
    - policies, procedures or practices that contributed to the significant discrepancy
    - noncompliance with requirements related to the development and implementation of IEPs
    - inappropriate use of positive behavioral interventions and supports
    - noncompliance related to procedural safeguards
53. JCPS undertook intensive, districtwide activities surrounding significant discrepancy, including the PBIS training mentioned above.
54. NOTE: There is a difference between significant discrepancy under State Performance Plan Indicator 4B and significant disproportionality (CCEIS).
    - IDEA, 20 USC 1412 (a)(22), requires states to identify districts with "significant discrepancy," which are disparities by race and ethnicity or by disability status in the rate of long-term suspensions and expulsions of children with disabilities. States must examine whether there are significant discrepancies among districts in the state or compare the rates of long-term suspensions and expulsions of children with disabilities to those rates for non-disabled children within the district (Indicator 4B).
    - The significant disproportionality regulations (CCEIS) do not apply to or address the obligation to identify significant discrepancies under IDEA, 20 USC 1412 (a)(22).

55. After several years of focused activities involving significant discrepancy under State Performance Plan Indicator 4B, JCPS data showed decreased numbers of suspensions for African American students with IEPs.
56. The KDE released JCPS from its Indicator 4B CAP in the spring of 2015 as the result of improved data.
57. Since its release from the CAP, JCPS numbers of suspensions of African American students with IEPs have greatly increased.
58. The DLS discovered no evidence to indicate JCPS provided ongoing training and coaching in PBIS once it was released from the CAP.
59. Implementation of evidence-based positive behavior supports was lacking in the schools visited during the review.
60. The discipline strategies witnessed were deemed to be out of date and "old school" in approach. Examples witnessed include:
    - copying glossary definitions from the textbook as busy work during an in-school removal
    - public verbal reprimands of students
61. During interviews, school staff shared student experiences that are unfathomable to most teachers, including:
    - murders of family and friends
    - parents whose work keeps them from being home at night
    - homelessness
    - addiction
    - hunger
    - abuse
62. During interviews of general education teachers, there was little recognition that the trauma experienced by students has a devastating effect on students' behavior when they come to school.
63. Many staff shared that building-level administrators were more focused on removing "those students" who exhibited problem behaviors from their schools, rather than teaching and reinforcing appropriate behavior.
64. One teacher stated, "African American students are suspended more often because they deserve to be suspended more often." The teacher went on to say she was sorry the students have "bad home lives," but they need to behave while they are in school.
65. One teacher reported being accused of racism by the students. She continued by stating, "I don't care who you are or what race you are, I care that you aren't doing what you need to do. Some kids don't have behaviors to do school the way we expect it."
66. DLS also witnessed cultural responsiveness, appropriate de-escalation strategies, and positive relationships with students occurring in some schools.
67. While onsite at a school, DLS staff noticed a male African American teacher who quickly and efficiently defused a situation between students which had the potential for becoming a significant behavior issue.
68. During a teacher interview, an African American teacher explained the cultural differences among students and stated black male students with loud voices were often perceived by white female teachers as being disrespectful. This teacher had written only four student behavior referrals for the entire school year.

69. Although the JCPS central office provides culture and climate training as part of in-service professional learning, the training is not mandatory.
70. Central office staff stated that trauma and mental health is a serious concern for JCPS students.
71. In November, 2014, the KDE received a five-year, $8.1 million competitive grant, known as Project AWARE, from the U.S. Department of Health and Human Services (HHS), Substance Abuse and Mental Health Services Administration (SAMHSA).
72. The purpose of Project AWARE is to support teachers, schools and communities in recognizing and responding to mental health concerns among youth.
73. Project AWARE focuses on two components:
    - The first component involved providing local communities with increased access to school- and community-based mental health services through improved coordination of state and local policies and resources.
    - The second component involved training school personnel, first responders, and other adults who interact with school-age youth to detect and respond to mental health needs, including how to encourage adolescents and their families to seek and obtain treatment.
74. JCPS was one of three Kentucky school districts selected by the KDE to participate in the project.
75. On May 12, 2016, the KDE released JCPS from the state's Project AWARE grant, due to its failure to obligate any district funds to the project.
76. Nor did it implement any activities as part of the KDE's AWARE grant during the 18 months it participated in the project.
77. Due to the district's inability to comply with the terms of the Project AWARE, JCPS lost approximately $2.3 million dollars over the life of the grant in funds that would have been used for increased access to student mental health services and Youth Mental Health First Aid training.
78. Purchase requests during the 2016-17 school year document requests for school mental health counselors, school psychologists, youth mental health first aid and trauma-informed care training.
79. These requests were denied at the district level without reaching the school board for consideration.

Conclusions:
A. Although there are several evidence-based practices for which professional development and training has been provided by JCPS over the years, consistent implementation, support and evaluation of such practices is ineffective or nonexistent.
B. JCPS has demonstrated its willingness to implement innovative programs designed to address behavior and discipline needs of students; however, the programs have never been effectively expanded across the district, due in part to the placement of related programs in different offices, with no coordination or communication among the offices.
C. Unless there is an office designated by JCPS as responsible for the implementation and evaluation of JCPS initiatives such as PBIS, restorative practices and trauma-informed care, the district will continue to experience difficulty complying with federal requirements related to disproportionality in disciplinary removals of African American students.

Issue 4:
Continuum of Educational Settings under the IDEA

80. All the above Findings are incorporated by reference.
81. IDEA requires school districts to provide students who have IEPs with individualized, appropriate educational settings.
82. The continuum of educational settings begins with the least restrictive setting (the general education classroom) to the most restrictive educational setting (residential placement).
83. During interviews with school and central office staff, the DLS learned class size/caseload waivers were requested for elementary schools with self-contained Emotional-Behavioral Disabilities (EBD) classrooms.
84. The waivers requested an increase in the number of EBD students in self-contained classrooms from the regulatory limit of eight students to nine students.
85. At least 10 class size waivers were requested.
86. Instead of establishing a new self-contained classroom, the district chose to use the waiver process to exceed the number of students allowed to be served.
87. JCPS increased the number of elementary EBD students from eight to nine **before** the waiver was approved by the DLS.
88. School staff interviewed about severe behavior events that require Interim Alternative Educational Settings (IAES) stated there is no alternative setting for the ECE elementary students who bring weapons to school.
89. Typically, the student is removed to an EBD self-contained classroom at a different school within the district.
90. In at least one situation discovered during school interviews, the district's central office staff made the decision to place an elementary student who brought a weapon to school in a different school's self-contained classroom, even though the self-contained classroom was at capacity.
91. This was done despite the receiving school's staff protesting the decision because it placed all students in the classroom and the EBD teacher at risk of harm.
92. In situations where IAES placements are required in middle and high schools, students are sent to EBD classes that are often already at capacity.
93. JCPS has one separate school, Waller Environmental School, for K-8 students with severe emotional/behavioral disabilities with IEPs. Its 2016-17 enrollment was 92 students.
94. A second setting, known as Riverview, is a "school within a school," that serves students with severe emotional and behavioral issues.
95. There are four classrooms at Riverview. Since Riverview is located within the Phoenix School of Discovery, it had no separate enrollment figures. Based on the regulations governing class size, Riverview presumably serves less than 40 students.
96. JCPS thus has a combined total of 132 students with IEPs in its two separate schools or classrooms.
97. Minor Daniels Academy is an alternative (otherwise known as behavior support) school with a total student enrollment of 142 middle and high school students during the 2016-17 school year. Thirty of the alternative school's "seats" are set aside for middle school students with IEPs, with 43 seats for high school students with IEPs.

98. Breckinridge Metropolitan High School is an alternative school for students who have been involved with the juvenile court system or have committed violations of the student code of conduct. Its 2016-17 enrollment was 162 students.

99. The combined enrollment for both alternative schools during the 2016-17 school year was 304 students. This is for a total JCPS student enrollment of over 100,000 students. For students with IEPs, only 73 "seats" were reserved for 13,000 ECE students.

100. Central office staff indicated some schools inappropriately refer students to alternative schools, such as Minor Daniels Academy, before exhausting all less restrictive options, stating, "If we build it [more alternative schools], they will come."

101. During interviews with central office staff, it was revealed that staff believe JCPS has a full continuum of placements for EBD students; however, none were aware of any student ever being placed in a residential setting by a student's ARC.

102. The district provides teachers for students who are hospitalized in psychiatric facilities; however, psychiatric hospitalization is not an educational placement provided by the district.

103. For the JCPS students who are hospitalized, the decision for hospitalization is made by students' parents and doctors based on medical reasons.

104. Parents are responsible for the cost of hospitalization, with Medicaid as the typical payment source. When Medicaid or private insurance is exhausted, the child returns to school.

105. No school staff interviewed knew residential placement at the expense of the district was an option for seriously disabled EBD students.

106. The DLS review of individual student due process folders revealed no students whose ARCs had recommended residential placement.

Conclusions:

A. Instead of creating additional classrooms to support EBD students needing self-contained settings, the district utilizes the waiver system to add additional students to classrooms which are already at capacity. Moreover, the district exceeded the class size prior to the waiver being approved.

B. The district's failure to have a continuum of EBD placements manifests itself in a lack of alternative schools, lack of therapeutic classrooms, too few self-contained EBD classrooms and an unwillingness to consider residential placements for students too disabled by their emotional and behavioral disabilities to be appropriately educated within JCPS.

C. While some schools may be more interested in ridding themselves of students rather than providing an appropriate educational setting for the student, this does not negate the finding that there are 73 "seats" at the district alternative school for 13,000 students with IEPs.

D. The number of alternative school placements for students with IEPs is inadequate, based on the student population size and the range of serious behaviors exhibited in the district such as JCPS.

E. Similarly, the two separate schools settings (Waller Environmental School and Riverview) serving 132 students are inadequate based on the student population size.

F. Having too few structured settings for students with significant emotional/behavioral needs leads to students remaining in inappropriate educational placements at their home schools.

G. This practice violates the IDEA as administrative barriers cannot be used to deny a student the right to special education services based on the student's individual needs.

H. The failure of the district to provide a continuum of placements for EBD students exacerbates the problem of disproportionate suspensions of students with IEPs, particularly African American students.

I. ARCs have the legal responsibility to determine appropriate settings for students. Due to the scarcity of EBD resources, ARCs are unable to place EBD students in restrictive settings when appropriate.

J. Instead, placements of EBD students needing restrictive settings are improperly taken out of the hands of ARCs and made by central office staff or are not made at all, due to the lack of educational settings for students with serious emotional and behavioral disabilities.

K. This district fails to have a continuum of educational settings for students with Emotional and Behavioral Disabilities (EBD), in violation of 707 KAR 1:350, Section 1.

Issue 5:
Disciplinary Procedures

107. All the above Findings are incorporated by reference.

108. Interviews revealed school staff wrongly believe students with IEPs may only be suspended for up to 10 cumulative days during the school year.

109. Staff indicated that, once a student has been suspended the maximum number of days, nothing else can be done to address that student's behavior.

110. During school interviews, DLS staff were informed of several serious discipline situations that resulted in no disciplinary action, either because staff believed the students had reached the 10-day suspension limit or appropriate educational settings were not available.

111. When students are suspended in excess of 10 days, JCPS policy requires schools to provide the students with compensatory education.

112. The DLS review of due process student folders revealed that during ARC discussions of compensatory education, parents were asked or required to transport their child for compensatory services, which results in many students being unable to access compensatory services.

113. A manifestation determination meeting must be held for students with IEPs after a "change in placement," to determine whether the behavior at issue is a manifestation of the student's disability. See 707 KAR 1:340 Section 14 for manifestation determination requirements.

114. While interviews with school guidance counselors who conduct the reviews showed a good understanding of the manifestation determination process, documentation found during the DLS review of student due process folders demonstrated either a lack of understanding of manifestation determinations or a lack of attention to the process.

115. Due process folders did not show consideration of all relevant information required by law.

116. Some folders contained information copied and pasted from earlier manifestation determination meetings into a subsequent meetings' documentation.

117. When an ARC determines the student's conduct which has caused the change in placement is a manifestation of the student's disability, IDEA requires a Functional

Behavior Assessment (FBA) be conducted if the student does not have a Behavior Intervention Plan (BIP). See 707 KAR 1:340 Section 14(4).

118. If the student has an existing FBA and BIP, the regulation requires the ARC must review the BIP and modify it as necessary to address the behavior.

119. The DLS review of manifestation reviews in student folders revealed FBAs and BIPs lacked the necessary revisions or were missing altogether.

Conclusions:

A. As a result of the above findings, JCPS is in violation of 707 KAR 1:340, Section 14 and 20 U.S.C. §1415(k)(1)(F).

Issue 6:
ARC Process

120. All the above Findings are incorporated by reference.

121. School staff expressed frustration with the admission criteria of the alternative schools, stating there was a lack of transparency with the process.

122. JCPS procedures for alternative schools provided to the KDE state students must be referred to alternative schools via the student's current comprehensive school or parent/guardian request.

123. Student referral information is reviewed with the Student Due Process staff to determine which alternative school is most appropriate. Students are then referred to the appropriate school.

124. The JCPS alternative school procedures make no distinction between the process used for students with IEPs and general education students.

125. ARCs are required by 707 KAR 1:350 to make decisions on appropriate educational settings for students with IEPs.

126. In JCPS, School-Based ARC (SBARC) decisions on the appropriate education setting are subject to a second ARC meeting, known as the Administrative Admissions and Release Committee (AARC).

127. JCPS continues to use SBARCs and AARCs, even though the Kentucky special regulations were amended in 1993 and no longer allow a two-tier ARC process.

128. Numerous reports from JCPS school and central office staff indicated parents are permitted to refuse an Admissions and Release Committee (ARC) decision for placement at Waller Environmental School that the ARC has determined is appropriate.

129. Interviews with both JCPS central office staff and school staff - substantiated by documentation found during the DLS review of student due process folders - revealed ARC decisions related to placement in alternative schools and the district's special schools are not binding and are often ignored. This is due to:

- The district's failure to have adequate educational settings for EBD students, due to its failure to maintain a continuum of educational settings. See Issue 4 above, which found there are 73 "seats "available for students with IEPs for a JCPS population of 13,000 students with IEPs.

- The district's alternative school procedures, which do not distinguish between referrals for general education students and students with IEPs whose ARCs have determined the alternative school is the appropriate educational setting for the student.

- The district's use of a two-tier ARC process allowing central office administrators to override a placement decision made by the school's ARC.
- The district's decision to allow parents to override an ARC's decision to place students in the district's special schools, such as Waller Environmental School.

130. As a result, students with IPs who have significant behavior issues remain in comprehensive schools even though the educational setting is not appropriate.

Conclusions:

A. Kentucky's regulations require a representative of the school district, who is knowledgeable about the availability of district resources, to be a member of the ARC. If central office staff believe ARCs are not properly deciding placement of a student in a more restrictive placement, they must be part of the ARC process as set forth in 707 KAR 1:320 Section 3.

B. Use of the two-tier ARC process violates 707 KAR 1:320 Sections 2, 3 and 5. JCPS cannot use a regulatory provision that has been out of effect for 24 years to allow an "AARC" to override previous ARC decisions.

C. Likewise, the JCPS alternative school procedures, which allow a process outside of the ARC to override ARC decisions on placement at the behavior support schools, violate 707 KAR 1:320 Sections 2, 3 and 5; and 707 KAR 1:350 Section1(5).

D. Even if placement of students with IEPs at the behavior support schools is exempt from the district's written policies as claimed by the district, the ARC decisions cannot be implemented for most students, due to the district's failure to maintain a continuum of educational placements.

E. Allowing a parent to unilaterally reject a placement decision violates 707 KAR 1:350 Section1(5). One member of an ARC does not have the authority to override an ARC decision on the appropriate educational placement (setting) for a student.

Issue 7:
Child Find under the IDEA:

131. All the above Findings are incorporated by reference.

132. Interviews with school staff revealed that many students referred for special education are never evaluated.

133. Students are referred for special education but their records are passed around the school and district until the referral is essentially forgotten or given up on by teachers.

134. Staff stated that many times, ARC meetings are never held to discuss the referral. School staff across the district commonly referred to this practice as the "magic folders" and the "rotating folder game."

135. Teachers stated this is an attempt to avoid identifying African American students for special education, in an effort to reduce the district's rate of disciplinary removals of African American students with IEPs.

Conclusions:

A. The district fails to act upon IDEA referrals (Child Find), in violation of 707 KAR 1:300.

Issue 8:

Supplemental Aids and Supports, Related Services and Program Modifications/ Supports for School Personnel

136. All the above Findings are incorporated by reference.

Supports for School Personnel

Teacher training and support

137. Elementary teachers from one school stated they cannot miss school for any reason, since substitute teachers refuse to work at the school.
138. Lack of substitute teachers was mentioned in other interviews as a barrier to teachers' ability to access training and to observe best practices at other, more successful schools.
139. Many of the schools visited by the DLS do not have adequate staff or support to balance behavior support and academic content in ECE resource rooms.
140. The central office has consulting teachers assigned to assist schools with instructional issues.
141. The quality of consulting teachers is uniformly described as good but there are too few teachers to meet the needs of the schools.
142. There are central office ECE staff who are experts in the categorical areas of students with IEPs, such as autism, EBD and intellectual disabilities.
143. The ECE staff consult with teachers and provide training; however, there are too few central office consultants available to provide ongoing coaching to ECE teachers.
144. ECE training is not mandatory.
145. Even when teachers avail themselves of training, research shows training without ongoing coaching results in little to no changes in classroom practice when the teacher is back in the classroom.
146. There are few consulting teachers with behavior expertise to assist teachers with classroom management.

Related services

Guidance counselors and mental health services

147. All schools visited have school counselors. Most are responsible for chairing Admissions and Release Committee (ARC) meetings, which significantly affects their ability to provide counseling to students.
148. School staff state there is an urgent need for mental health services and mental health counselors.
149. Although staff acknowledge the district and schools have done a good job in collaborating with community providers to increase the number of counselors available to students in need, this remains a critical, unmet need.

Psychologists

150. There are not adequate numbers of school psychologists (assigned by the central office) to work in schools.
151. Psychologists are needed to develop Functional Behavioral Assessments (FBAs) and Behavior Intervention Plans (BIPs) for students exhibiting unwanted behaviors.
152. FBAs and BIPs are critical for understanding and appropriately dealing with behavior issues.
153. Developing these plans is in addition to the psychologists' work in testing and evaluating students for special education services.

Paraprofessionals

154. While schools appear to have adequate numbers of teachers, districtwide reductions in the number of paraprofessionals due to cutbacks in funding were cited by elementary teachers as a concern related to classroom management

Speech /language therapists and assistive technology

155. Other staffing issues raised by schools included too few speech/language therapists available to provide therapy to students with IEPs.
156. This results in students receiving a minimal amount of speech services which are not based on their individual needs.
157. A related concern of school staff was the lack of assistive technology staff to evaluate students to determine their need for assistive technology (AT) and Augmentative and Alternative Communication (AAC) devices.
158. There are two central office staff that provide assistive technology services to the entire district - one for AT and one for AAC.
159. AAC devices are critical for students with severe disabilities who do not have an effective way to communicate their needs to others.
160. Students who have no formal communication systems are left with communicating through behaviors such as crying, self-abuse or aggressive behaviors towards others.
161. They are also at increased risk of physical restraint, seclusion or both.
162. One highly-publicized incident involved a JCPS student with autism and intellectual disabilities who had no effective, formal means of communication.
163. The student nearly died due to a classroom restraint that broke both of his femurs.
164. Kentucky's IEP document requires ARCs to consider special factors in IEP development:
165. ARCs must address each special factor and consider the issues in the review and revision of the IEP.
166. Three of the special factors are:
    - Whether the student's behavior impedes his/her learning or that of others;
    - Does the student have communication needs; and
    - Are assistive technology devices and services necessary in order to implement the student's IEP?
167. If the ARC answers 'yes' to any of the special factors, the ARC must include a statement of services, devices or both to be provided to address the special factors.

Transportation

168. District transportation personnel reported that students who are transported to the Kentucky School for the Deaf (KSD) are required to meet at a central location or "hub" on Sunday afternoon for transportation to KSD.
169. Special transportation is not available at all schools in the district. If a student with an IEP requires special transportation at a school that does not offer it, the student is assigned to a school in which special transportation is offered.
170. The review of student due process files confirmed students with disabilities are being suspended from the bus. However, these suspensions are not always recognized as such and are not recorded in IC as an out-of-school removal.
171. Nineteen student due process files documented bus suspensions for students transported by both regular and special transportation.

172. Attendance records confirmed bus suspensions were sometimes coded in IC as "absent" or "tardy" instead of school removals.
173. The district does not take steps to prevent students from rival neighborhoods or gangs from riding on the same bus.
174. Fights erupt during bus rides, adding to the disproportionality of African American students - with and without IEPs - being suspended from the bus and school.

Conclusions:

A. JCPS provides good resources to teachers in the form of training and technical assistance, consulting teachers and ECE staff who are well-versed in categorical disabilities.
B. In spite of the central office resources dedicated to the professional learning of teachers, there are inadequate numbers of central office consulting teachers and ECE staff to meet the needs of classroom teachers.
C. ECE training is not mandatory. Added to the inability of teachers without substitutes to attend training and district's failure to provide adequate resources for follow-up coaching, the effect of training efforts is inconsequential.
D. The district's failure to provide sufficient appropriate program modifications and supports for school personnel violates 707 KAR 1:320 Section 5(5)(c).
E. The district's failure to provide adequate numbers of related service providers, such as psychologists, school counselors, mental health services including mental health counselors, speech/language therapists and assistive technology providers, violates 707 KAR 1:002 Section 1(27) and 707 KAR 1:290 Section 1(1).
F. The inadequate numbers of speech/ language therapists and assistive technology staff is of special concern.
G. The ability to effectively communicate is a key skill which all students require to be successful, both in school and in adult life.
H. This is especially true for students with significant communication disabilities who have no functional communication system. Their inability to effectively communicate acts as a complete roadblock to post-school education, employment and independent living.
I. It also puts them at risk of being constantly restrained and put into seclusion due to behaviors that are the result of frustration, as well as the inability to report any issues of abuse.
J. Two AT staff serving the district's population of 13,000 students with IEPs is wholly inadequate.
K. Because of the inadequacy of speech/language and AT resources, the district fails to address the special factors of behavior, communication and assistive technology needs.
L. This results in either a lack of related services or inadequate services within a service delivery model based, not on individual students' needs but on administrative convenience, in violation of 707 KAR 1:320 Section 5 (2) through (4).
M. The district's failure to
   • Provide appropriate related services including individual speech services, and
   • Evaluate for and provide appropriate AT and AAC to students who have disabilities that significantly affect their ability to communicate has resulted in a denial of a free appropriate public education in violation of 707 KAR 1:002 Section 1(27) and 707 KAR 1:290 Section 1(1).
N. The district fails to provide appropriate door-to-door transportation to students who attend KSD.

O. Special transportation is not provided to students who require it when the student attends certain schools. This results in the student being forced to attend a different school where special transportation is offered based on administrative convenience rather than individual student needs.

P. JCPS has failed to provide appropriate related services in the area of transportation in violation of 707 KAR 1:002 Section 1(27), 707 KAR 1:290 Section 1(1), 707 KAR 1:290, Section 5 and 707 KAR 1:350 Section 1(7).

Q. By failing to appropriately document bus suspensions as out-of-school removals for students with disabilities, the district's discipline data is inaccurate. This contributes to the inaccurate and inefficient data collection and reporting discussed in Issue 1.

Issue 9:
Physical Restraint and Seclusion

175. All the above Findings are incorporated by reference.

176. The assistant superintendent for Academic and Support Services oversees the Safe Crisis Management (SCM) trainer position. This individual retired in December 2016.

177. The district chose to finish the year without a full-time SCM trainer in lieu of going through the board of education process to post the position.

178. The SCM trainer oversaw two SCM assistants who provide physical restraint training to JCPS employees during the workweek and on Saturdays.

179. Commissioner Pruitt's February 14, 2017 letter to former Superintendent, Dr. Hargens questioned the use of UKERU, an unapproved type of restraint. DLS interviews with district and school staff confirmed that SCM is the only type of restraint training offered by the district-level trainers.

180. School Resource Officers (SROs) are required to be trained as part of the school-wide training on positive behavioral supports and interventions pursuant to Section 6 of 704 KAR 7:160, yet interviews revealed this is not occurring.

181. Board Policy 09.2212 – Use of Physical Restraint and Seclusion was revised in August 2016.

182. The revised administrative procedures were shared with all building principals before the start of the 2016-17 school year.

183. The updated procedures changed the term "physical restraint" to "physical assist," but did not change the definition set forth by Kentucky's physical restraint and seclusion requirements found in 704 KAR 7:160.

184. The change in terms has resulted in wide-spread confusion, with central office and school staff wrongly believing a "physical assist" (as defined by JCPS's procedures) is not a physical restraint.

185. Central office leaders, including those who oversee SCM training, wrongly reported that an "assist" as defined by the JCPS policy, was simply a nudge or the holding of a hand or arm to encourage a student to move to a safe location.

186. JCPS's procedures require each school in the district to have a minimum of five core team members who are trained to safely implement physical restraint.

187. At the time of the audit, 32 schools did not have a minimum of five core team members.

188. Some schools have SROs.

189. Discipline data related to the involvement of SROs in the use of physical restraint was found to be inconsistently monitored and tracked.

190. Other schools have Louisville Metro police officers in their buildings in addition to SROs. The police are present to intervene only in the event of a law violation.
191. Police involvement is not consistently entered in IC as required by 704 KAR 7:160 Section 7(7).
192. 704 KAR 7:160 Section 5(5), and the district's procedures, outline the requirements of the parent debriefing session.
193. Very few district or school leaders were aware of parents' right to request a debriefing session following their child's physical restraint or seclusion.
194. The district has a form letter that is sent home informing parents their child has been physically restrained, but it contains no information about the parents' right to request a debriefing session.
195. The DLS was repeatedly informed by district and school leadership and staff that JCPS does not use seclusion; however, DLS staff witnessed and heard about the use of seclusion rooms.
196. The DLS review of student due process folders confirmed a lack of understanding and appropriate use of physical restraint and seclusion across the district as evidenced by the following:
    - Sixteen student files confirmed physical restraint was used in violation of 704 KAR 7:160. The documentation of the behavior that led up to the use of physical restraint was not behavior which posed "an imminent danger of physical harm to self or others" as required by 704 KAR 7:160.
    - Eight student files documented the use of a bus harness as a mechanical restraint to modify student behavior. Kentucky's regulation and the district's procedures specifically prohibit the use of a mechanical restraint.
    - Thirty-five student files lacked documentation of positive behavioral interventions and supports.
    - According to training lists provided by JCPS and documentation within student folders, two employees without a certification in SCM were involved in the use of physical restraint even though the facts did not indicate it was an emergency situation.
    - SRO involvement in behavior events was noted in nine files.
    - Debriefing procedures, required by 704 KAR 7:160, Section 5 were not in evidence.
    - PACs were sometimes documented as student time-out areas or removal placement options, which in some cases met the definition of seclusion under 704 KAR 7:160.
197. Interviews with JCPS staff indicated alternative schools often use physical restraint as the first, not the last, response to a behavior incident. Staff were quoted as saying the alternative schools immediately jump to the use of restraint rather than using de-escalation or other less harmful responses, "because they can."
198. School staff interviewed stated they had never seen a student restrained inappropriately. In contrast, some central office staff stated they had knowledge of illegal prone and supine restraints being used.
199. According to interviews with central office staff, investigations substantiating student abuse by staff (including illegal restraints) were not acted upon by the Division of Labor Management and Employee Relations within the Business Services Division.

200. Interviews revealed investigations by JCPS staff substantiated abuse by school staff, yet no action was taken by the district. The DLS staff was told there are "serial abusers" in the schools. Investigations substantiating abuse were forwarded to the central office human resources office. No follow-up action against the employees was taken until the local newspaper reported the incidents.

201. Based on interviews and folder reviews, physical restraint and seclusion data are not always correctly entered into IC and typically restraint and seclusion data are not reviewed or discussed.

Conclusions:

A. Central office and school staff's understanding of practices related to physical restraint and seclusion are inconsistent with state regulations, as well as local board policies and procedures.

B. The district failed to act to protect student safety despite substantiated abuse.

C. JCPS is in violation of 704 KAR 7:160 as well as its own procedures that enforce the use of physical restraint and seclusion.

Issue 11:
Special Educational Regional Cooperative

202. All the above Findings are incorporated by reference.

203. The KDE chooses to use a significant portion of its federal IDEA State Set-Aside allocation to fund the Special Education Division serving each regional educational cooperative.

204. The purpose of the special education divisions is to provide support and technical assistance to their member districts to improve educational results and outcomes for students with disabilities and to assist districts with remedying IDEA noncompliance under federal and state law.

205. The regional special education cooperative must provide all services in a manner consistent with policies and procedures required by the IDEA Part B while assisting member districts in meeting the state and federal regulatory requirements for special education programs.

206. Jefferson County is in a unique position because it is the only special education cooperative that is not providing services to multiple districts.

207. The cooperative staff are district employees who have a percentage of their FTE funded by the cooperative.

208. It is difficult to separate the cooperative funds from the district's general funds and equally difficult to determine what services are being provided by the cooperative and not the district.

Conclusions:

A. Due to the comingling of staff and funding streams, it is difficult for the cooperative to provide effective leadership and specialized services to assist the district with meeting the goal of providing a full educational opportunity for all children with disabilities, aged three to 21, particularly if the district is in violation of the IDEA.

B. Without being able to determine how cooperative funds are being used or what services are being provided to the district, the cooperative is not fulfilling the requirements of the Application to Receive Grant Funds it provided to KDE.

C. For JCPS to continue receiving cooperative funds from the KDE, the special education cooperative must be completely separated from the district.

CORRECTIVE ACTION PLAN (CAP):

Following an off-site or on-site review, the KDE shall issue a written report. Deficiencies specified in the report shall be the basis for the district and the KDE to jointly develop a corrective action plan (CAP) for review and approval by the KDE. Prior to the development of the CAP, the district shall have the opportunity to submit additional information to verify or clarify issues related to the report. Each CAP shall be monitored and enforced by the KDE.

A CAP shall be submitted to the KDE no later than thirty (30) business days after the district receives the report of noncompliance. The CAP shall include:

a) A statement of the matter to be corrected; and

b) The steps the district shall take to correct the problem and document compliance.

Within thirty (30) business days of receiving the CAP, the KDE shall notify the district of the status of the CAP. If the KDE rejects the CAP, the district shall have fifteen (15) business days to submit a new CAP.

A CAP approved by the KDE shall be monitored and shall be an official document requiring the district to meet the specified activities. The KDE shall not initiate further sanctions during the time period specified in the CAP unless requested by the district.

Any noncompliance verified by monitoring shall be corrected within twelve (12) months from the date of the notification to the district of the noncompliance.

STATUS OF THE DISTRICT'S IDEA CAP AS OF APRIL, 2018:

The following timeline summarizes the status of the district's CAP:

- October 9, 2017 – DLS Report of Findings was provided to the district during an onsite meeting.

- October 17, 2017 – DLS approved the CAP and implementation of the CAP began.

- October 23, 2017 – DLS conducted an onsite visit with JCPS to discuss the Report of Findings and CAP.

- November 14, 2017 – KDE contracted services for a dedicated individual to oversee the district's CAP.

- December 19, 2017 – DLS met with the JCPS to review the implementation of the CAP and provided feedback.

- February 16, 2018 – DLS conducted an onsite visit with JCPS to review the status of the CAP and provided feedback.

- March 19, 2018 – DLS conducted an onsite visit with JCPS to discuss specific questions and concerns regarding the CAP. The focus of this conversation was on the district's MTSS plan, the establishment of additional EBD classrooms, and the use of CEIS funds.

- March 28, 2018 – DLS CAP manager conducted an onsite meeting with district employees responsible for implementing positive behavior supports.

DLS expects the collaborative approach to continue throughout the implementation of the CAP. A complete summary of the district's CAP including responsible for each action step, and progress notes is attached.

JCPS continues to have significant disproportionality during the 2016-17 school year. The rate at which JCPS removes African-American special education students for disciplinary events is significantly greater than the rate at which it removes non-African American special education students. African American students are 4.687 times more likely to be subject to in-school removals than non-African American special education students and 6.557 times more likely to be subject to out-of-school removals greater than 10 days than non-African American special education students. Rates that exceed three times the rate of children not in a particular category are considered to be significantly disproportionate. As a result, Jefferson County must again set aside millions of IDEA dollars for CEIS that would otherwise be used to serve students with disabilities.

Indicator 4B of the IDEA State Performance Plan (SPP) / Annual Performance Report (APR) examines suspensions and expulsions based on individual racial or ethnic subgroups. JCPS has significant discrepancy with regard to the rate of long-term suspensions and expulsion of African-American students at a rate 4.90 times above the rate of the state. As a result, the DLS has issued a CAP to remedy the noncompliance.

While the district has provided DLS with evidence of extensive training and plans for follow-up, there is a need to change the culture within the district. Implementation of MTSS is a good start; however, there are still questions around how tertiary and intensive supports to the district's most challenging students will be provided. The district has restructured its governance of discipline so that many of its ECE personnel report to the Area 5 superintendent. The intention is to break down silos; however, DLS is not confident that discipline procedures will be followed in accordance with the IDEA under this new structure given the Area 5 superintendent is not a special education expert. Removing the special education department from the decision making process could result in an inadvertent violation of the IDEA. DLS continues to be in conversation with the district around this restructure. More information is needed and a clear plan for involving the ARC process must be developed, shared with DLS, and evidence of implementation must be provided regularly.

During the onsite audit, DLS also reviewed individual student due process files as part of its investigation. In addition to the systemic CAP that is attached, DLS is overseeing the correction of student specific student specific IDEA violations. Fourteen due process files were cited as needing student specific corrections. Three of those students were considered no-shows for the 2017-18 school year. Currently, out of the 11 remaining files, ARC meetings for eight students have occurred to make corrections. The district has summarized corrections for the KDE and individual due process corrections including:

- Development of positive behavior interventions to address the behaviors of students
- ARC met to determine LRE placement of students
- ARC met and obtained consent to conduct a FBA and determine the need for a BIP.
- Three students have meetings scheduled to review and update the IEP's based on need.

STATUS OF PHYSICAL RESTRAINT AND SECLUSION CAP AS OF MARCH, 2018:

JCPS corrective action relating to Physical Restraint and Seclusion (R&S) has seen an improved communication link between JCPS and KDE staff. The KDE has been invited to attend monthly meetings in which Area 5 administration reviews Physical Restraint & Seclusion data. These have occurred on December 28th, January 31st and March 29th. These meetings have been scheduled monthly through the end of 2018, KDE staff has been invited to consult in person or via teleconference. JCPS has had success in contractual relationship with districtwide in-school security monitors and has trained 118 of 160 of these staff members in the de-escalation techniques from Safe Crisis Management (SCM).

JCPS's new SCM administrator has maintained weekly contact with KDE physical restraint and seclusion program manager. Area 5 has completed the hiring of three SCM district trainers to increase capacity to train staff, review practices with building administrators, and consult on physical restraint and seclusion issues that may arise.

Through the CAP process it was suggested that JCPS revise district protocols for parent debriefing following an incident of physical restraint and/or seclusion. Form has been created for staff to follow and protocols have been put in place for review of this regulatory requirement.

JCPS has formed task force to review the structure, administration, and use of school level safety officers (SROs and LEOs) in JCPS. They have reached out to similar sized districts around the US to research if there may be other options for JCPS to consider.

IDEA FORMAL WRITTEN COMPLAINTS FILED SINCE THE AUDIT (AS OF MARCH, 2018):

During the CAP implementation, DLS has received four IDEA formal written complaints. One of the complaints has been investigated with a Report of Findings provided to the district on February 19, 2018. Two are currently under investigation. Both have been extended due to the complexity of issues, including system issues. Another complaint has been received by DLS and is pending review of jurisdictional items. The table below provides a complete summary of the formal complaints.

Table 1: JCPS IDEA Formal Written Complaint Status and Findings

Status	Allegations	Basis	Findings
1718-C-05			
COMPLETE Sent to JCPS on 2/19/18. District is in a specific CAP	Whether the District failed to develop and implement an appropriate Individual Education Program (IEP).	The Parent alleged the Student did not receive occupational therapy (OT) adaptive equipment including weighted garments and fidget items as required by his IEP.	This issue was withdrawn per Parent request on January 30, 2018. As such, no findings were established by the KDE.

Status	Allegations	Basis	Findings
Appeal timeline has expired.	Whether the District failed to consider positive behavioral interventions and supports (PBIS) to address the Student's behavior	The Parent alleged: • The District failed to develop a behavior intervention plan (BIP) for the Student. • Staff at the Student's school told the Parent they cannot keep him safe and "don't know what to do with him when he is agitated or stressed." • Due to a behavior event on October 5, 2017, the Student was not allowed to stay at school unless accompanied by a letter from his psychiatrist.	**MET COMPLIANCE REQUIREMENTS** 707 KAR 1:320 Section 5 (2) (a)
	Whether the District limited the Parent's right to request a revision to the Student's IEP.	The Parent alleged the District did not respond to the Parent's request for revising the Student's IEP to include provision of a one-to-one paraprofessional.	**IN VIOLATION** 707 KAR 1:320 Section 9 (3)
	Whether the District provided a continuum of educational settings to meet the needs of the Student.	The Parent alleged she has been told there is no place in the District for the Student since he is too high functioning for an "autism unit." As a result, the Student was placed in a "behavior unit."	The allegations were beyond the one year timeline. No conclusions were established by the KDE.

Status	Allegations	Basis	Findings
	Whether the District educated the Student in his least restrictive environment (LRE).	The Parent alleged her request for a one-to-one paraprofessional was intended to eliminate the need for a more restrictive placement for the Student.	**IN VIOLATION** 707 KAR 1:340 Section 3 (3) (b) 707 KAR 1:340 Section 3 (3) (c) 707 KAR 1:340 Section 3 (3) (e) 707 KAR 1:350 Section 1 (1)
	Whether the District considered any potential harmful effects on the Student or on the quality of services.	The Parent alleged the Student's EBD placement resulted in harmful effects to the Student's behavior which were not considered by the ARC.	The allegations were beyond the one year timeline. No conclusions were established by the KDE.
1718-C-12			
Currently under investigation by the DLS Report due to District on April 6, 2018	Whether the District failed to conduct a sufficiently comprehensive evaluation of the Student to identify all his special education and related service needs.	The Complainant alleged: • The review of records conducted by the District did not sufficiently address the Student's Special education needs. • The Student's pattern of truancy was not addressed in the review of records. • Though the evaluation was conducted in December 2016, the results of the evaluation still impact the Student's current educational needs.	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	Whether the District failed to develop and implement an appropriate IEP.	The Complainant alleged: • The Student quit attending school, but the Admissions and Release Committee (ARC) failed to address the Student's truancy on his IEP. • No peer-reviewed research supports the specially-designed instruction and related services implemented at the Student's previous school. • The Student received no supplementary aids and services at his most recent school. • The Student has historically not been placed in schools that offer PBIS, while these strategies are implemented in other schools in the District.	UNDER INVESTIGATION
	Whether the District failed to consider PBIS to address the Student's behavior.	The Complainant alleged: • The District systemically uses "outdated and inappropriate exclusionary strategies to address behavior" at the Student's previous school. • At any other school, the behavioral strategies implemented "would be considered abusive."	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	Whether the District failed to provide transition services to the Student when he stopped attending school.	The Complainant alleged: • The District did not consider transition services for the Student when he dropped out of school. • The District asserted transition services are provided through the IEP, by the Student has not attended school, so none of those services were ever provided. • The District asserted transition services are provided through the IEP, but the Student did not advance on his IEP goals when he attended school, since none of those services were ever provided. • The lack of transition planning is a systemic issue that affects other students who drop out of school in the District.	UNDER INVESTIGATION
	Whether the Student was subjected to a series of removals that constituted a pattern.	The Complainant alleged: • The Student was frequently sent home from his previous school for minor violations. • The frequent removals of the Student constituted a pattern. • The Student's previous school systemically did not allow students to enter the school if there was a uniform violation.	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	Whether the District failed to make a good faith effort to assist the Student to achieve the goals on his IEP, resulting in a denial of FAPE.	The Complainant alleged: • The District failed to attempt to provide services to the Student once he stopped attending school. • The pattern of above violations, if substantiated, may constitute a denial of FAPE.	UNDER INVESTIGATION
	Whether the District failed to ensure a continuum of alternative placements was available to meet the needs of students with disabilities.	The Complainant alleged the District is increasing the number of students served in alternative schools instead of developing therapeutic placements at the middle and high school levels.	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	ADDITIONAL ISSUE Whether the District accurately collects and reports data to the KDE.	During the onsite visit, it was revealed the Student in the complaint dropped out of school in November of 2017. Interviews revealed confusion regarding when to withdraw students with disabilities who have dropped out of school. A review of the Student's records showed he was still enrolled in the District as of March 15, 2018. The Student was listed on the District's Child Count. Upon notification of the issue, the District amended their Child Count. However, a review of attendance for students with disabilities who are 18-21 revealed at least four other students who have not been attending school but are still enrolled in the district past their 18th birthdays. A review of records indicated 67 instances at one school where students were not documented as an out-of-school suspension but were signed out on attendance logs for "BI". The district explained BI was a behavior incident.	UNDER INVESTIGATION`
	ADDITIONAL ISSUE Whether the District's Child Count for December 1, 2017 was inflated.	See above. Inflated Child Count numbers could result in inflated SEEK Exceptional Child Add-On funding to the District.	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
1718-C-13			
Currently under investigation Report due to District on April 13, 2018	Whether the Student's IEP was designed to enable the Student to progress in the general curriculum.	The Complainant alleged: • The Student's IEP was not designed to provide him with the supports he needed to be successful. • Systemically, students are denied access to the general curriculum since they are sent to certain alternative schools as punishment and have to earn their way out.	UNDER INVESTIGATION
	Whether the district provided the Student with appropriate specially-designed instruction.	The complainant alleged the District was not able to address the Student's academic and behavioral needs.	UNDER INVESTIGATION
	Whether the District failed to implement the Student's Individual Education Program (IEP), Behavior Intervention Plan (BIP) and crisis plan.	The Complainant alleged the District failed to implement the Student's IEP, BIP and crisis plan when implementing discipline strategies and when using physical restraint.	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	Whether the District failed to consider positive behavioral interventions, strategies, and supports (PBIS) to address the Student's behavior needs.	The Complainant alleged: • The Student was not provided supports to meet his behavioral goals in his current placement. • The District failed to provide supports to address behaviors which were a manifestation of the Student's disability. • The District failed to implement PBIS, resulting in the Student experiencing in multiple removals from the classroom and charges being filed against the Student on numerous occasions.	UNDER INVESTIGATION
	Whether the District failed to educate the Student in his least restrictive environment.	The Complainant alleged: • The Student is placed in home/hospital instruction because there is no appropriate placement for him in the District. • The Student's previous placements were inappropriate due to the District's inability to address his academic and behavioral needs. • The Student's current placement is inappropriate. • The Student's mother felt there was no school in the District which could address her son's needs without him getting arrested.	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	Whether the District failed to ensure the Student's IEP was accessible to all service providers and each implementer was informed of his or her specific responsibilities related to implementing the IEP.	The Complainant alleged: • School resource officers (SRO) in the Student's prior placements were not informed the Student had an IEP and BIP, including the crisis plan. • SRO's were not informed of their responsibilities to implement the Student's behavior and crisis plans. • SRO's did not implement the Student's IEP when disciplining him.	UNDER INVESTIGATION
	Whether the District denied the Student a free appropriate public education (FAPE).	The Complainant alleged the Student was denied FAPE due to a combination of: • the removal of the Student from the classroom due to behaviors which were found to be a manifestation of his disability • the failure of the district to follow regulations regarding physical restraint and seclusion • the Student's inability to meet his behavioral goals due to lack of an appropriate program • failure to provide security officers with training regarding de-escalation	UNDER INVESTIGATION

Status	Allegations	Basis	Findings
	Whether the District failed to ensure a continuum of alternative placements was available to meet the needs of students with disabilities.	The Complainant alleged the following systemic violations: • The District is increasing the number of students served in punitive alternative schools instead of creating appropriate educational placements. • Decisions about the placement of students with behavioral needs in the District are made through the disciplinary process instead of the ARC process.	UNDER INVESTIGATION
	Whether the District failed to meet the unique needs of students with disabilities educated in alternative programs in the District	The Complainant alleged several schools in the District do not implement individualized strategies to address the behavior of students with disabilities.	UNDER INVESTIGATION
	ADDITIONAL ISSUE Whether the District's ARC chairs are knowledgeable about the availability of resources of the District.	Interviews revealed that ARCs may not be given authority to make placement decisions without the prior approval of District leadership. District staff revealed they have asked for a representative who is able to make decisions to attend ARC meetings, but have been told placement was not being considered on several occasions.	UNDER INVESTIGATION
1718-C-23			

Status	Allegations	Basis	Findings
Received March 27, 2018 Pending jurisdictional review			