

## KANSAS LEGISLATURE



**PRESIDENT OF THE SENATE SUSAN WAGLE • SPEAKER OF THE HOUSE RON RYCKMAN**

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January 24, 2018

Mr. Jim Porter  
Chairman, Kansas State Department of Education  
900 SW Jackson St  
Topeka, KS 66612

Chairman Porter,

At the request of Commissioner Randy Watson following our meeting with him on January 23<sup>rd</sup>, we are writing to express our deep concern with the discrepancies in the work performed by Deputy Commissioner Dale Dennis as highlighted by the recent Legislative Post-Audit study. The December 2017 LPA audit entitled *K-12 Education: Evaluating Transportation Services Funding* (attached to this letter), noted that “State law does not include a minimum funding level for transportation, and it does not give KSDE the authority to create one.” *K-12 Education: Evaluating Transportation Services Funding*, Kansas Legislative Post-Audit, p. 13 (December 2017) (“LPA Study”). Nonetheless, “KSDE has continued setting a minimum per-student funding level” for transportation weighting in densely populated districts even though “[t]his minimum was removed from statute in 1973....” LPA Audit at 11 (emphasis added).

LPA discovered why KSDE has provided this funding in violation of state law apparently for the last 45 years. Mr. Dennis has admitted to LPA and others that he knew Kansas statute did not authorize a minimum per-student funding level for transportation weighting. Regardless, he knowingly directed KSDE to distribute these unauthorized payments for decades based on a conversation with Senator Charles Angell, a former member of Senate leadership who left legislative service in 1984. LPA Audit at 13. Even if this conversation did occur (which we cannot verify because Sen. Angell passed away in 2014), KSDE has no right to violate state law based on the request of a state legislator or any other person.

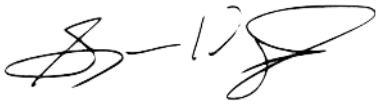
These unauthorized expenditures by Mr. Dennis and KSDE are not negligible. They have had enormous consequences for Kansas taxpayers. The LPA Audit found that “[o]ver the past five years, KSDE’s minimum funding level has provided a total of \$45 million more in transportation funding than allowed by law.” LPA Audit at 13. Assuming that such misallocation was consistent since “this minimum was removed from statute in 1973,” *id.* at 11, KSDE, through Mr. Dennis, has improperly spent over \$405 million in taxpayer dollars in violation of Kansas law. Even if KSDE, through Mr. Dennis, has only improperly distributed these funds since 1984 (the last year in which Mr. Dennis could have had his alleged conversation with Senator Angell while he was still in office), this misallocation of state funds would still exceed an estimated \$300 million.

To be clear, we are not questioning Mr. Dennis’ honesty. Rather, we are troubled by the implications of his statement if true. KSDE has a clear statutory duty to distribute K-12 funds under the law as written. We are deeply troubled that KSDE, under the apparent direction of Mr. Dennis, has intentionally misallocated hundreds of millions of taxpayer dollars. Nor do we know if the misallocation identified by the LPA Audit is an isolated

occurrence. In our meeting on January 23<sup>rd</sup> with Commissioner Watson, it became clear that (while KSDE double-checks the data used to distribute K-12 funds) KSDE does not audit or even double-check the internal formula used to allocate funds between districts to verify that it matches statutory requirements. KSDE only checks its internal formula if the Legislature altered the statutory section underlying that part of the formula. Furthermore, Mr. Dennis never brought this issue to the Legislature's attention even though he knew he lacked statutory authorization for his actions. Thus, an action taken by Mr. Dennis in the 1970s or early 1980s to distribute money in contravention of the formula was perpetuated for **45 years** without any further scrutiny.

For these reasons, we have lost faith in the accuracy of the work performed by Mr. Dennis and any other KSDE staff who knowingly allocated K-12 funds in violation of state law. We ask for you to undertake an immediate and independent forensic audit of KSDE to determine if it has misallocated or is currently misallocating taxpayer dollars in violation of state law. We ask that the results of this audit be made public and that changes to KSDE procedures follow from the results of this audit and the one done by LPA. To ensure complete transparency, we further request that you place Mr. Dennis on administrative leave, with pay, during the pendency of this audit and any investigation into this matter by the Office of the Kansas Attorney General. We further ask that you extend this leave to any other KSDE staff who knowingly participated in this misallocation.

We appreciate your attention to this matter and look forward to your prompt response. The rule of law must govern our work for the people of Kansas. Having fallen short of that tenet, we ask you to help restore public faith (and that of the Kansas Legislature) in the important work that KSDE performs.

A handwritten signature in black ink, appearing to read "S. Wagle", with a stylized flourish at the end.

Susan Wagle  
President of the Senate

A handwritten signature in black ink, appearing to read "Ron Ryckman", with a stylized flourish at the end.

Ron Ryckman  
Speaker of the House