

**ARKANSAS STATE BOARD OF EDUCATION
MAY 17, 1998**

*Lakeside High School Auditorium
Lake Village, Arkansas
2:00 p.m.*

CONSENT AGENDA

1. Minutes (April 20, 1998 and April 30, 1998)
2. Chair's Report ... Mr. Bill Fisher
3. Newly Employed, Promotions and Separations ... Ms. Clemetta Hood-----C3
4. Recommendation for Action on Bids Submitted by Publishers for Textbooks and
Other Instructional Materials ...Ms. Sue McKenzie-----C4
5. Personnel Recommendation ... Ms. Clemetta Hood -----C5

ACTION AGENDA

1. Director's Report ... Mr. Ray Simon
2. Recommendation of a Proposed Public School Fund Budget for 1998-99 ...
Mr. John Kunkel-----A2
3. Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution
of the Implementation Plan ... Ms. Charity Smith-----A3
4. Arkansas Better Chance Grant Recommendations ... Mrs. Glenda Bean -----A4
5. Teacher Licensure Advisory Committee Update ... Ms. Donna Eillott -----A5
6. Fiscal Distress Report ... Mr. Richard McDowell-----A6
7. Property Tax Amendments ... Mr. Ray Simon-----A7

PRESENTATIONS

1. Mr. Thomas Gathen ... Superintendent, Eudora School District
2. Mr. Bruce Terry ... Superintendent, Dermott School District

INFORMATION

1. Technology Grant Report
2. High Cost Transportation Funding Formula
3. Pulaski County Desegregation Settlement Cost
4. Analysis of Proposals to Abolish Property Taxes

SCHOOL VISITS - May 18, 1998 - 8:30 a.m. - Lakeside School District

State Board of Education

Minutes

May 17, 1998

The State Board of Education Met on Sunday, May 17, 1998, in the Cafeteria of Lakeside Middle School in Lake Village, Arkansas. The meeting was called to order at 2:00 p.m. by Bill Fisher, Chair.

Members present: Bill Fisher, Chair; Luke Gordy, Vice Chair; Edwin Alderson; Carl Baggett; JoNell Caldwell; Betty Pickett; Richard Smith; Lewis Thompson, Jr.; Sherry Walker and Anita Yates.

Members absent: Martha Dixon and James McLarty.

The Chair recognized Mr. Rick Rowell, President of the Lakeside Board of Education. He introduced members of the Lakeside School staff and members of the Chicot County Governor's Partnership Council.

Mr. Fisher identified informational items at each Board member's position: A publication from Bentonville Schools provided by Ms. Yates, a new edition of Arkansas School Law; corrected information from the Teacher Licensure Office; and a letter from the Arkansas Education Association concerning financing of public school employees health insurance.

Mr. Fisher noted that Minutes of the April 20 regular Board meeting and the April 30 teleconference meeting had been electronically distributed. He asked for corrections or additions to the published Minutes. Mr. Smith moved the adoption of both sets of Minutes. Ms. Yates seconded the motion. The motion passed unanimously.

Members Reports

Mr. Alderson: Reported that the Eldorado community has provided two private foundations to help support public schools. This year the Proctor Hill Memorial Fund awarded scholarships to high school graduating seniors.

Mr. Baggett: Attended a meeting with the governor, Mr. Simon, and representatives from Higher Education in Bentonville to discuss educational issues.

Ms. Caldwell: Attended a meeting of the Professional Development Committee. Attended a meeting of the Board of Directors of the Arkansas River Educational Cooperative – their concern was higher health insurance costs and low morale in some Arkansas Delta schools due to low test scores. Visited Alzheimer schools – reported a low faculty/staff morale due to continued academic distress, but express appreciation for the help from the Department of Education.

Mr. Smith: Served as a judge for a regional art and essay contest.

Mr. Gordy: Presented Blue Ribbon Awards to two high schools in Fort Smith – Southside High School and Northside High School. Attended the presentation of the Christa McAuliffe award to Marjorie Reading – a Van Buren High School mathematics teacher -- in the Governor's Conference Room.

Ms. Pickett: Invited to speak at a teachers group in Conway -- one concern is a lack of communications within the staff, teachers did not seem to be aware of activities and state-level events. Presented information on teacher licensure to faculty members at UCA. The faculty did not feel well informed on changes being proposed and requested that any implementation of the new licensure standards be postponed. Attended the two-day Systemic Initiative Community Conference in Little Rock. Attended the monthly meeting of the Arch Ford Cooperative.

Mr. Thompson: Introduced the Governor at a regional meeting sponsored by the Southwest Arkansas Cooperative in Texarkana. Attended the state training for new members on Boards and Commissions.

Ms. Yates: Visited in seven school in the OUR Cooperative area and attended the Board meeting of the Northwest Arkansas Cooperative. Attended the staff recognition dinner for Bentonville School District and presented Blue Ribbon Awards.

Ms. Walker: no activities

Mr. Fisher: Served on the Greene County Scholarship Fund Committee which just completed making scholarship awards to students graduating from high school. These scholarship awards were made possible by an endowment fund. Attended the joint meeting of the Administrators Association and the School Boards Association. Visited in schools and participated in graduation exercises.

Mr. Fisher called for a report of the Nominating Committee. He noted that the Committee reports in May and the Board votes on new officers at the June Meeting. Mr. Baggett reported the following slate for 1998-99: Chair, Luke Gordy and Vice Chair, JoNell Caldwell. The Chair asked for other nominations. Ms. Walker nominated Martha Dixon for Vice Chair. Mr. Alderson nominated Betty Pickett for Chair. There were no other nominations.

Consent Agenda

Mr. Smith moved the adoption of the Consent Agenda Items. Mr. Gordy seconded the motion. The motion passed unanimously.

Action Agenda

Director's Report

Mr. Simon reported that a \$30,000 grant had been secured from the Walton Foundation to support awards to the regional semi-finalists and the Arkansas Teacher of the Year beginning in 1998-99. He summarized the new K-4 initiative, "Smart Start," announced by the Governor that will seek to have all students working at grade level by the end of fourth grade. In the coming weeks, staff will be working with administrators, teachers, Boards and staff to map out strategies to accommodate this initiative. Additionally, work will focus on a comprehensive approach to effect change. Collectively, we must address establishing high expectations, professional development, developing testing criterion, developing tests, and establishing an accountability system. Simon noted that changes in the assessment system would be necessary in that we must be able to provide guidance to students before testing at the end of fourth grade. Character education would become a part of the total recommendation.

Ms. Walker noted the Agency's early childhood initiatives in past years. She suggested that some things have been successful. She questioned how the new initiative would link to those successful practices and extend into middle level programs. Simon indicated that much of the past work had been directed to individual performance, and that efforts must be directed to systems change if the efforts are to be sustainable and all agencies "buy in" to the effort.

Ms. Walker suggested academic distress should be directed to the school level instead of the district level.

Mr. Gordy stated that administrators are key to any success in institutional change. We need to be sure that professional development is available for them as well as teachers.

Mr. Simon linked poverty and economic status of communities as critical factors in educational success for many children. Work such as the Governor's Partnership Council helps to address needs of children in high poverty areas. In such areas, he indicated the need to impact children of pre-school age as well as providing before and after school programs. Funds for such programs must come from sources other than education. We must work together with all agencies to meet the educational needs of children.

Ms. Pickett suggested poverty should not be allowed to get in the way of educating all children. She stated that as a Board we must affirm that all children can learn!

Recommendation of a Proposed Public School Fund Budget for 1998-99

Mr. Fisher recognized John Kunkel to present this item. Fisher commended the work of Mr. Kunkel and Department staff in preparing the information and describing each component in such detail. Fisher requested a brief overview of each component. Mr. Kunkel stated that the Department of Finance and Administration released the revenue forecast for 1998-99 on April 17, 1998, which included funding of Category A and

Category B for year two of the biennium. The forecast includes a projected increase of \$64.6 million over 1997-98. Preparing this budget is important in that it serves as the base year for funding in the next biennium. Work on the budget for the next biennium will begin by June 15 and will be completed by the end of July. Mr. Kunkel reported that Richard Weise in the Department of Finance and Administration has advised that reserve funds be spent for one-time purchases, not on-going programs.

Mr. Kunkel summarized each line item in the proposed Public School Fund Budget.

Mr. Gordy identified a concern from superintendents in western Arkansas related to the level of LEP funding. He questioned when the Board considers such issues. Kunkel responded that now was the time with the understanding that a balanced budget must be presented and that any increase in one category means a decrease in another.

Mr. Fisher reminded the Board that the usual practice of budget preparation is for it to be submitted to the Department of Finance and Administration prior to Board review with the understanding that changes can be made later. Mr. Gordy questioned when the Board could consider funding for new or expanded efforts such as professional teaching standards.

Ms. Walker suggested that the Board consider increases in parent involvement, professional teaching standards, and the LEP programs.

Mr. Kunkel informed the Board that budgeted categories exceeding the appropriation level must be requested and approved by the Department of Finance and Administration and the Legislative Council. Ms. Walker suggested that the Board examine concerns such as LEP and make recommendations prior to the budget being submitted.

Ms. Walker moved the following line item changes in the proposed budget:

1. Increase the category of aid to support teacher participation in the National Board for Professional Teaching Standards from \$10,000 to \$100,000.
2. Increase the category of Parental Involvement Grants from \$300,000 to \$1.0 million.
3. Increase the funding for LEP programs from \$2.1 million to \$4.2 million.
4. Reduce the Additional Base Funding from \$19 million to \$16.1 million.

Ms. Pickett seconded the motion. The motion passed unanimously.

Mr. Baggett suggested that the Economic Education Program should be considered for an increase. That program has been operating at the same level for several years.

Ms. Pickett requested evaluations be made of currently funded programs so that increases or decreases can be based on sound information not just popularity of a program. She specifically requested information on the Parent Involvement and Parents as Teachers programs.

Mr. Gordy moved the adoption of the proposed Public School Fund Budget as amended. Ms. Walker seconded the motion. The motion passed unanimously.

When asked about other fiscal issues, Mr. Kunkel informed the Board that many of the programs being questioned were in the Department Budget, not the Public School Fund Budget. The Department Budget will be presented at a later date.

The Chair recognized Rich Nagel, Associate Executive Director of the AEA to speak to fiscal issues related to funding of public school employees health insurance. Mr. Nagel expressed the AEA's concern for the large proposed premium increase.

The Chair recognized Charles Knox representing the Arkansas Association of School Administrators. Mr. Knox also expressed concern for the insurance premium increase. He additionally noted the stress on school district finances caused by loss of students. This loss is particularly felt in the Delta.

Mr. Fisher requested the Board defer any consideration of the insurance premium issue pending a meeting scheduled for Monday, May 18.

Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution of the Implementation Plan

Mr. Fisher recognized Frank Anthony to make the report. He noted that Ms. Smith was not attending the meeting due to family illness. Mr. Anthony highlighted information contained in the printed report. Ms. Yates moved the acceptance of the report. Mr. Smith seconded the motion. The motion passed unanimously.

Arkansas Better Chance Grants Recommendations

Mr. Fisher recognized Glenda Bean to make recommendations for funding of grants. Ms. Bean reported the following changes to the list of recommendations mailed with the Board materials.

1. Grady School District – Reduce grant to \$90,000 – This change is due to the reduction of one class.
2. Watson Child Care Center – Reduce to \$25,000 – due to number of students enrolled in the program.

Ms. Bean reviewed recommended changes in program orientation as outlined in the Board materials.

Ms. Pickett observed that there always seems to be fiscal problems associated with these grants. She questioned what was being done to alleviate that problem. Ms. Bean noted that fiscal problems are not unique to these grants, but with other programs operating in similar situations.

Mr. Smith requested that the Board consider acting on the program recommendations separate from grants funding. Mr. Smith moved the adoption of recommendations for program management and adjustment as presented by Ms. Bean. Ms. Pickett seconded the motion. The motion passed unanimously.

Mr. Smith excused himself from the Board meeting for the consideration of grant funding.

Mr. Grody moved the approval of the revised list of ABC grants. Ms. Walker seconded the motion. The motion passed unanimously.

Teacher Licensure Advisory Committee Update

The Chair recognized Donna Elliott to present an update on teacher licensure standards. Ms. Elliott indicated that this committee was on a fast pace track to get a set of recommendations in place. The diagram presented highlights ideas being considered for assessing candidates for initial licensure.

Mr. Smith moved the acceptance of the report. Ms. Yates seconded the motion. The motion passed unanimously.

Fiscal Distress Report

Mr. Fisher recognized Richard McDowell to make the report. Mr. McDowell noted that two districts were being removed from the fiscal distress list this year – Shirley and Paragould. Mr. James McGaha, Superintendent of Shirley Schools was invited to address the Board. Mr. McGaha reported progress made over the past two years toward a more secure financial status for the Shirley District.

Mr. McDowell reported the addition of Winslow School District and Humnoke School District to the Fiscal Distress List.

Mr. Alderson moved the adoption of the Fiscal Distress List for 1998-99 as reported by Mr. McDowell. Mr. Thompson seconded the motion. The motion passed unanimously.

Property Tax Amendments

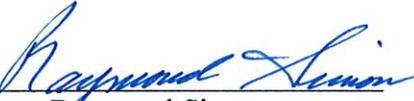
Mr. Fisher recognized Mr. Simon to discuss the Property Tax Amendments issue. Mr. Simon referred to information provided in the special mailing and suggested that the Board oppose the property tax amendments. Mr. Alderson moved that the Board oppose any attempt to remove the local property tax structure. Ms. Pickett seconded the motion. The motion passed unanimously.

Mr. Fisher invited Thomas Gathen, superintendent from Eudora Schools and Bruce Terry, superintendent from Dermott to address the Board concerning issues in their districts.

Mr. Alderson moved adjournment. Mr. Gordy seconded the motion. The motion passed unanimously.

Meeting adjourned at 5:05 p.m.

Recorded and Reported by Dr. Charles D. Watson


Raymond Simon


Bill Fisher