

Minutes
State Board of Education
Monday, July 8, 2002

The State Board of Education met on Monday, July 8, 2002, in the Auditorium of the State Education Building. Shelby Hillman, Chairperson, called the meeting to order at 9:00 a.m.

The following members were present: Shelby Hillman; Chairperson; JoNell Caldwell, Vice Chairperson; Luke Gordy; Robert Hackler; Peggy Jeffries; and Dr. Calvin King.

The following members were absent: Lewis Thompson, Jr.

WORK SESSION

Dr. Woodrow Cummins introduced project staff lead by Bruce Villineau from the New Teacher Project to present a report of work accomplished over the past several months pursuant to determining the supply and demand for teachers in Arkansas Public Schools. The text of the report was presented as part of the Board materials. Additionally, the report included recommendations for future work to address the projected need for additional teachers in the next five to ten years.

Mr. Simon continued the discussion of issues related to the possible need for revision of the Standards for Accreditation of Public Schools in Arkansas. Mr. Simon noted that some revision may be necessary as the Blue Ribbon Commission and the State Board Advisory Committee complete their work and reports are submitted. He reported that the Board should have these reports by the August session.

DIRECTOR'S REPORT

Mr. Simon reported that the U.S. Department of Education issued a news release recently that identified schools that were to be listed for school improvement based on standardized test scores for the past two years. He noted that report listed zero for Arkansas, which may raise some questions. Arkansas reported last year that it is in a transition between the norm-referenced test and the criterion-referenced test. Based on 4th Grade scores, approximately 140 schools have 75% or more students performing below proficiency. These schools will be expected to demonstrate progress in increasing the number of students reaching or exceeding proficiency. These schools will continue to be observed and should they fail to make progress, those schools will be identified for school improvement. Additionally, sixth and eighth grade scores will similarly be impacted beginning this year.

CHAIR'S REPORT

Ms. Hillman presented a proposed resolution recognizing the service of Claiborne Deming as a member of Board, whose term expired on June 30, 2002. Ms. Caldwell moved adoption of the resolution. Mr. Gordy seconded the motion. The motion was adopted unanimously. The resolution document was signed by all current Board members and will be forwarded to Mr. Deming along with a desk plaque.

Ms. Hillman reported the Blue Ribbon Commission was completing its work and in the process of drafting its final report. She noted that the full report would be available for review in the next few weeks.

CONSENT AGENDA

Mr. Hackler moved adoption of the Consent Agenda. Ms. Caldwell seconded the motion. The motion was adopted unanimously.

- Minutes June 10, 2002
- Newly Employed, Promotions and Separations
- Approval of Organizations for Implementations of Act 648 Community Service Program
- Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution of the Implementation Plan
- Declaration of Critical Academic Areas as Required by Act 1146 of 2001, Section 2(3)(A)

ACTION AGENDA

Amendment to the Public School Fund Budget FY 2003

Mr. Simon was recognized to present this issue. He indicated that the previously approved budget included a reduction in the funding for isolated schools. He noted that provisions of legislation prohibit a reduction in this categorical funding. Thus it is recommended that the budget be revised to correct this situation. It is recommended that the line item Isolated Funds be restored to its 100% level from 2001-2002 by increasing the line item by \$2,782,230 and reduce the line item Additional Base Funding by a like amount. Mr. Simon indicated that the reduction in Additional Base Funding could be taken without impacting payments to districts.

Mr. Simon observed that the funding formula has become complex and the “numbers” can vary over a period of days. The formula, when run one day, may provide a totally different result a few days later. He stated that staff is committed to restoring cuts made in the budget adopted in June should the revenue situation recover.

Mr. Gordy moved adoption of the suggested budget amendment. Ms. Jeffries seconded the motion. The motion was adopted unanimously.

Appeal of Placement on Fiscal Distress Phase 1 – Heber Springs

Patricia Martin was recognized to present this item. Ms. Martin reported that the Heber Springs District has requested a delay of this hearing to allow additional time to prepare documentation. Heber Springs Superintendent, Dr. Jim Best, on the record waived the Heber Springs School District’s right to have their appeal heard within sixty (60) days of notice of their appeal as provided for by Ark.Code Ann § 6-20-1603. The District subsequently submitted a written formal request to continue their appeal and formal written notice of the waiver of their sixty (60) day right to a hearing. Mr. Hackler moved that this item be tabled

until the August meeting. Dr. King seconded the motion. The motion was adopted unanimously.

Appeal of Placement on Fiscal Distress Phase 1 – Marked Tree

Patricia Martin was recognized to present this item. Ms. Martin noted that Gary Masters, Superintendent of Marked Tree School District was attending and would present additional information previously not available to the Fiscal Distress Committee. Mr. Masters provided documentation that showed an ending district balance of 10% of the operating budget, which is an increase in this category from a negative balance two years before. He stated that enrollment declines leveled off last year and appeared to be the same for the 2002-2003 school year. Additionally, he noted funds were available to pay for roofing that is badly needed at the high school facility. The District had hoped to receive a federal funds grant to complete that project, but that did not occur.

Mr. Masters reiterated that the Board made his appeal from last year contingent on the District passing a millage that failed to pass. He implied that the District was being negatively impacted for its failure to pass that millage. He stated that the process and the conditions under which the District could be removed from Phase 1 were not clear to him and to the district. Mr. Masters insinuated that the District's continuation on Phase 1 fiscal distress caused problems for the District.

In response to questions about the amount of staff reduction, Mr. Masters indicated that over two years the District had reduced staff by 8.5 full time equivalents; some certified and some non-certified positions.

Ms. Martin stated that information provided by Mr. Masters was new information and was not available when the original review was held and recommendation was made.

Mr. Gordy noted that for a District to be removed from fiscal distress, the district must demonstrate that conditions are improved and there is a definite trend in the positive direction. He suggested that one year does not establish a trend, at least two years data must be in place.

Mr. Hackler asked if the funds to pay for the roof repair were part of the balance from the current year. Mr. Masters stated that it was not, those funds had been reserved pending the outcome of the grant application.

Dr. King asked if the District had any information as to what led to the decline in student enrollment. Mr. Masters suggested that it was due in part to a decrease in factory employment and an employment decline in the community. Dr. King also asked for Ms. Martin to explain the conditions under which the District might produce evidence to be removed from Phase 1. Ms. Martin explained that the District, in consultation with the Department, proposed a plan and works toward meeting the conditions of the plan. In this case, the plan developed by the District is being implemented, but the Committee was convinced that a trend was not clear and enough of the conditions were not evident to warrant removal.

Mr. Gordy suggested one year of improved performance is not sufficient. He did not see that the administration has changed in the District nor that drastic changes have been implemented. He does not see that continuing in Phase 1 for another year should negatively impact the District given the progress made.

A member of the Marked Tree School Board made a statement suggesting that two years earlier the School Board had requested help from the State with the fiscal condition of the District. He pled that the local Board had done its part and changes were in place, thus it was not fair to this administration and the current Board to fail to recognize improvement. Mr. Gordy suggested that the local Board was doing its job by asking for help. He also indicated that it was apparent that progress was being made, but the State Board is committed to managing these issues and being sure that districts are sound financially before the State removes itself from oversight and technical assistance.

Mr. Gordy moved to deny the request for appeal from the Marked Tree District. Ms. Caldwell seconded the motion.

Ms. Jeffries suggested that with the obvious improvement noted by this administration, she believed that the District should be removed from Phase 1. Dr. King also expressed his opinion that the District should be rewarded for good work. It was his opinion that continuation in Phase 1 could negatively impact progress being made.

The motion was adopted on a 3 to 2 vote. (Jeffries and King voted no.)

Request to Change School District Boundary Lines; Deer and Mount Judea School Districts

Scott Smith stated that these districts in general agree to this request, but not all legal requirements for advertisement have expired, thus he requested this item be tabled until August.

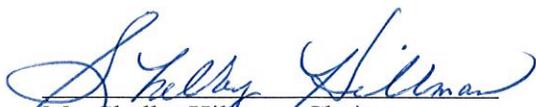
Mr. Hackler moved to table. Ms. Caldwell seconded the motion. The motion was adopted unanimously.

Adjournment

Dr. King moved adjournment. Ms. Caldwell seconded the motion. The motion was adopted unanimously.

The meeting was adjourned at 11:45 a.m.

The Minutes were recorded and reported by Dr. Charles D. Watson.


Ms. Shelby Hillman, Chair


Raymond Simon, Director