

**Minutes
State Board of Education
Monday, April 21, 2008**

The State Board of Education met on Monday, April 21, 2008, in the Auditorium of the State Education Building. Diane Tatum, Chairman, called the meeting to order at 8:55 a.m.

The following Board members were present: Diane Tatum, Chairman; Randy Lawson, Vice-Chairman; Sherry Burrow; Jim Cooper; Brenda Gullett; Dr. Tim Knight; Dr. Ben Mays; MaryJane Rebick; and Dr. Naccaman Williams.

No Board members were absent.

Chair's Report

Ms. Tatum reported attending the America's Youth Policy Forum, which included a tour of High School Redesign schools in Providence, and meeting with state and local officials in the state of Rhode Island; attendance at an SREB meeting in Atlanta focused on issues related to middle grades schools; and attendance at a task force on higher education retention and graduation rate. She also noted comments from Katie Haycock from the Education Trust complimenting progress of education in Arkansas.

Ms. Gullett reported observation of home school testing in Northwest Arkansas and her facilitation of a meeting to discuss the potential of a new high school facility for the Fayetteville School District.

Commissioner's Report

Dr. James made no report.

Reports

West Fork High School Two Year Probation On-Campus Standards Review (OSC) Follow Up Report

Frank Wimer reported findings from recent visits to West Fork High School, which was cited in probationary status for two consecutive years. He confirmed that the school has removed all issues that caused the school to be classified in probationary status and stated that the campus was in compliance with the Standards and there are no potential citations for that campus for the 2007-2008 school year.

Consent Agenda

Ms. Rebick stated she was pleased to observe that the Department was refusing many days of requested waivers for missing instructional days as submitted by local districts.

Ms. Burrow moved approval of the Consent Agenda as proposed. Dr. Williams seconded the motion.

- Minutes – March 10, 2008
- Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution of the Implementation Plan
- Newly Employed, Promotions and Separations
- Review of Loan and Bond Applications
- Consideration for Approval of QZAB Allocation Applications
- Report on Waivers to School Districts for Teachers Teaching Out of Area for Longer than Thirty (30) Consecutive Days, Act 1623 of 2001
- Request for a 1 Day Waiver of Instructional Time Due to Inclement Weather – Calico Rock School District
- Request for a 5 Day Waiver of Instructional Time Due to Inclement Weather – Clinton School District - Denied
- Request for a 3 Day Waiver of Instructional Time Due to Tornado Damage – Cotter Public Schools
- Request for a 5 Day Waiver of Instructional Time Due to Tornado Damage and Other Waivers – Highland School District
- Request for a 1 Day Waiver of Instructional Time Due to Tornado Damage – Melbourne School District
- Request for a 1 Day Waiver of Instructional Time Due to Tornado Damage – Shirley School District
- Request for a 1 Day Waiver of Instructional Time Due to Weather – Viola School District
- Request for a 1 Day Waiver of Instructional Time Due to Tornado Damage – Wonderview School District

Action Agenda

(Items one through four were recorded by the Court Reporter and the complete text of the deliberation is available from the State Board Office in the Department of Education.)

Consideration of Petitions from Department of Education Requesting that Helena-West Helena and Midland School Districts be Removed from Fiscal Distress

Dr. Bobbie Davis was recognized to present this item. Dr. Davis stated that each district would be considered individually.

Midland – Dr. Davis noted that the Midland School District has been under State operation for two years. She stated that during that time the management of the district has enabled the district to correct the deficiencies, thus the Department certifies that the deficiencies have been corrected.

Dr. Mays asked about the make-up of the new Midland School Board. The Midland School Board president responded that the new board was a combination of members who were serving before take over and new members. However, he stated that all current board members have completed training sponsored by the Department and the Arkansas School Boards Association.

Dr. Williams asked what will be different. Mr. Wood, President of New School Board, responded that the Board is much more aware of fiscal operations of the district and the board understands school finances and has a working knowledge of day to day operation.

Ms. Gullett asked what happens if for some unforeseen reason the new board fails to keep moving forward. Dr. Davis responded that there is no precedent for that, answers to the question would be dependent on the conditions that caused the district to fail to move forward financially. Ms. Gullett noted that the district appears to continue to lose students. Dr. James noted that at this point the district has a balance; however, decreasing students will continue to cause the district to have less revenue. He observed if such student losses continue, it will be necessary to continue to decrease budgets.

Mr. Cooper moved to accept the Department recommendation to remove Midland School District from fiscal distress and restore local board control of the district as of July 1, 2008. Dr. Knight seconded the motion. The motion was adopted unanimously on a roll-call vote.

Helena-West Helena – Dr. Davis reported that since the Department has managed the Helena-West Helena District, the district has accumulated a balance in excess of \$5.0 million. She did note recent damage by wind, which will require some unexpended costs to repair, but the district will finish the year with a substantial balance. She stated that the Department certifies that the district meets the criteria for removal from fiscal distress and for restoration of management to the local school board.

Mr. Rudolph Howard, interim superintendent, was commended for his leadership under state management. Mr. Howard affirmed all members of the local board – some reelected some new to the board – have attended training and are better prepared to serve in a leadership role in the district.

Dr. Williams asked about the impact of Teach for America instructors in maintaining quality instruction in the district. Dr. Howard stated it was important to find qualified staff willing to work and live in the district. But until new faculty is found, the two year tenure of Teach for America faculty meets instructional needs.

Ms. Gullett asked how lessons learned in Helena might transfer to other districts to keep a similar event from happening. Dr. James responded that the issues in the Helena-West Helena District are complex and emerged over time. He also noted that there are laws that now preclude some of the actions from occurring – such as contracting and purchasing practices.

Ms. Tatum asked if distance learning were a component of the instructional program. Mr. Howard responded that it was; however, the district needs to hire full –time faculty to meet the instructional needs of secondary students.

Dr. Mays opined that adherence to the State funding formula is key to the success of any district!

Dr. Williams moved approval of the petition to remove Helena-West Helena School District from fiscal distress and to restore local control of the district as of July 1, 2008. Dr. Knight seconded the motion. The motion was adopted unanimously on a roll call vote.

Consideration of Petition Letters from Hughes, Omaha, and Turrell School Districts Requesting Removal from Fiscal Distress Status

Dr. Bobbie Davis was recognized to present these petitions. Dr. Davis stated that each district would be considered separately.

Hughes – Dr. Davis certified that the Hughes District has implemented many cost-saving actions and has adopted Department recommendations to improve the fiscal status and management of the district.

Ms. Rebick moved to approve the petition to remove Hughes School District from fiscal distress as of June 30, 2008. Ms. Burrow seconded the motion. The motion was adopted unanimously.

Omaha – Dr. Davis certified that the Omaha District has implemented many cost saving actions and has adopted Department recommendation to improve the fiscal status and management of the district.

Dr. David Land, superintendent, responded to Board questions. Dr. Mays noted that one cost-saving action was to have athletics pay for transportation. He asked how the cost was calculated. Dr. Land responded by using the rate recommended by transportation office. Dr. Mays asked where the revenue was generated. Dr. Land responded by gate receipts.

Ms. Gullett asked about utilities costs and cost projections. Dr. Land noted the district pays on a monthly basis, but the district does enter into contractual agreements such as for propane and the cost is set annually.

Ms. Gullett moved to accept the petition to remove Omaha School District from fiscal distress as of June 30, 2008. Mr. Cooper seconded the motion. The motion was adopted unanimously.

Turrell – Dr. Davis reported that declining enrollments continue to impact the Turrell district, but they have adopted Department recommendations and thus stabilized declining budget balances. Dr. Davis also noted that the 2007-2008 enrollment has dipped below 350 for the first time.

Mr. Alfred Hogan, Superintendent, (Turrell) discussed the declining enrollment by observing the geographical local of the Turrell district is in the midst of economic development zones such as West Memphis and Jonesboro. He stated hope that residual residential upturn for the district will happen.

Ms. Gullett observed that too often cuts for a district to stay solvent or to balance budgets come on the benefits for teachers and school employees, which is unfortunate.

Ms. Burrow asked about criminal background check on volunteers who work with students in the schools. Mr. Hogan noted that all staff or volunteers who work directly with students have completed background checks.

Dr. Mays asked if there were priorities for finding or identifying cost-saving matters in the districts under consideration for classification for fiscal distress. Dr. Davis indicated that implementation of the Standards was the first option for working with districts.

Mr. Lawson moved acceptance of the petition for removal from fiscal distress as of June 30, 2008. Dr. Williams seconded the motion. The motion was adopted unanimously.

Classification of Districts in Fiscal Distress

Dr. Bobbie Davis was recognized to present background data relative to the classification of districts in fiscal distress. Dr. Davis noted that in February 2008, the Department identified a total of eight districts as meeting the criteria for classification in fiscal distress. Of those four opted to appeal the classification and those districts will advance their appeal later in the meeting. She reminded the Board that such classification is based on declining balances for three fiscal years, and other criteria as outlined in the Rule. Dr. Davis reviewed a profile for each district.

Concord School District – Superintendent Mike Davidson was present to respond to Board member questions. Mr. Davidson noted that continual decline in student enrollment and

liabilities surrounding the annexation of the Wilburn School District contributed to the declining balances.

Ms. Gullett moved to accept the Department recommendation to classify Concord School District in fiscal distress beginning on July 1, 2008. Dr. Knight seconded the motion. The motion was adopted unanimously.

Hartford School District – Superintendent Chris Rink was present to respond to Board member questions.

Mr. Cooper moved to accept the Department recommendation to classify Hartford School District in fiscal distress beginning on July 1, 2008. Ms. Burrow seconded the motion. The motion was adopted unanimously.

Hermitage School District – Superintendent Richard Rankin was present to respond to Board member questions. Mr. Rankin noted his recent employment by the district and reported that actions are currently underway to remove the issues that created the declining balances.

Ms. Gullett moved to accept the Department recommendation to classify Hermitage School District in fiscal distress beginning on July 1, 2008. Dr. Williams seconded the motion. The motion was adopted unanimously.

Murfreesboro School District – Superintendent Dr. Burnie Hellums was present to respond to Board member questions. Dr. Davis noted that one issue related to this district is the coding or miscoding of funds that are received by the district. Dr. Hellums also noted that there are categorical funds held by the district that cannot be used for operation. Ms. Burrow questioned the flexibility of a district to change coding of funds during the year. Dr. Davis responded that districts have some flexibility, but there is a deadline for making any changes in the APSCN financial reporting system.

Ms. Rebick expressed concern that Murfreesboro – and other districts – continue to build or remodel buildings when they are losing students. Dr. James responded that the Facilities Commission monitors that closely.

Dr. Mays asked about expenditures regarding spending funds to support athletics in the district. *(At the request of Dr. Mays, the text of this exchange is attached as an addendum to these Minutes.)*

Ms. Rebick moved to accept the Department recommendation to classify Murfreesboro School District in fiscal distress beginning on July 1, 2008. Mr. Cooper seconded the motion. The motion was adopted unanimously.

Appeals to State Board Regarding Fiscal Distress Identification and Classification

Scott Smith provided the Board with an outline of procedures to be used during appeal proceedings. Dr. Bobbie Davis reviewed the profile for each of the districts and affirmed that the Department recommends each of the following be certified in fiscal distress.

Gentry School District– Superintendent Randy Barrett was recognized to present evidence from the Gentry District. Mr. Barrett confirmed that construction costs, furnishings and technology installations all contributed to the declining balance as did a decline in students in recent years. Dr. Mays asked about other expenditures, specifically \$400,000 plus spent on sports programs. He opined that those expenditures also contributed to the declining balance.

Ms. Rebick moved to deny the appeal and classify the Gentry School District in fiscal distress beginning on July 1, 2008. Dr. Mays seconded the motion. The motion was adopted unanimously on a roll call vote.

Greenland School District– Greenland was represented by Bill Groom, president of the local school board. Mr. Groom stated that issues related to the annexation of the Winslow District, the ultimate closing of those campuses, and former Winslow students opting to attend other districts closer to their home all contributed to fewer students than planned currently attending Greenland. Mr. Groom stated that a local election was set for June 10 to consider adoption of 2.6 mills for operation. He also noted that cuts were being made in the number of teachers, benefits, and decreasing the number of days of some teachers and administrators contracts.

Ms. Gullett observed that too often when decreasing funds are available, the first cuts come at the expense of teachers and support for teachers and the instructional programs.

Ms. Rebick moved to deny appeal and classify the Greenland School District in fiscal distress beginning on July 1, 2008. Dr. Knight seconded the motion. The motion was adopted unanimously on a roll call vote.

Mineral Springs School District – Superintendent Max Adcock was recognized to present evidence from the Mineral Springs District. Mr. Adcock stated that some of the issue in his district resulted from procedures used by his bookkeepers to revise coding of some expenditures during the school year as funds such as NSLA and some federal funds become available. Dr. Davis acknowledged that new information was provided by Mr. Adcock too late to be reviewed and considered at this meeting.

Mr. Lawson moved to table consideration of this appeal until the May Board meeting at which time the new information provided can be reviewed and provided to the Board. Ms. Burrow seconded the motion. The motion was adopted unanimously.

(Note Ms. Gullett left the meeting leaving eight members present.)

Westside Consolidated School District – Superintendent James Best was recognized to present evidence from the Westside Consolidated School District. Dr. Best raised the issue of decision being made on three data points but spanning only two years. Dr. James noted that the Department developed rules consistent with legislative intent and action adopted in the 2007 session. He continued that the Department has no option but to follow the legislation. Dr. Best affirmed that the district did have a decrease in revenue in the 2005-2006 school year of approximately \$700,000, which was due in part to a decrease in enrollment.

Mr. Cooper asked Dr. Best if the data points for the three years reported were accurate. Dr. Best responded that they were.

Ms. Rebick moved to deny the appeal and certify the Westside Consolidated School District in fiscal distress as of July 1, 2008. Dr. Knight seconded the motion. The motion was adopted unanimously on a roll call vote.

Mr. Cooper and Ms. Burrow acknowledged the quality of the district and the consistently high test scores. They acknowledged the value of working with fiscal advice from the Department, given the declining enrollment and decreasing revenue.

Request for Open-Enrollment Charter School Modification: Covenant Keepers College Preparatory Charter School – Little Rock

Dr. Mary Ann Brown was recognized to present this item. Dr. Brown noted that the administrators of the school have been unable to complete the negotiations for securing and funding the facility as proposed. Dr. Valerie Tatum was recognized to present an alternate proposal. Dr. Tatum and Chris Bell requested an amendment to lease a facility in the same vicinity of the city at a much reduced cost. They noted that building services has visited the site and affirmed it meets code.

Ms. Rebick inquired about the sale of the land as previously proposed. Dr. Tatum indicated that the sale was cancelled before it was completed.

Ms. Burrow moved to approve the alternate facility plan. Dr. Mays seconded the motion. The motion was adopted unanimously.

Consideration for Approval: Additional Licensure Endorsement Area for Algebra Allowing Middle School Mathematics Teachers to Teach Algebra I to Eighth Grade Students

Beverly Williams was recognized to present this item. Ms. Williams reviewed the background data stating that there continues to be a shortage of qualified mathematics teachers, especially at the middle grades level. She reported that this option would provide a new avenue for some middle grade licensed teachers to also be endorsed for middle grade mathematics. She noted that previously all algebra classes must be taught by a highly qualified secondary teacher.

Mr. Lawson moved adoption of the proposal as presented. Mr. Cooper seconded the motion. The motion was adopted unanimously.

Consideration of Recommended Praxis II Exam Cut Score Changes

Beverly Williams was recognized to present this item. Ms. Williams stated that Arkansas currently has some of the lowest adopted pass rates on qualifying Praxis exams in the nation. She noted that these recommended increased cut scores have been reviewed and adopted by the Professional Licensure Standards Board.

Dr. Williams moved adoption of the revised cut scores to become effective September 1, 2008. Dr. Knight seconded the motion. The motion was adopted unanimously.

Consideration for Public Comment: Proposed Revision to Rules Governing Teacher Licensure by Reciprocity

Beverly Williams was recognized to present this item. Ms. Williams reported that these revisions are presented to update the reciprocity options for teachers and to add a section addressing reciprocity for administrator licensure areas.

Mr. Cooper moved adoption for public comment. Ms. Burrow seconded the motion. The motion was adopted unanimously.

Consideration for Approval for Public Comment: Proposed Rules Governing End-of-Course Assessment and Remediation

This item was withdrawn from consideration.

Consideration for Approval for Public Comment: Proposed Rules Governing the Requirement of Schools to Have Automatic External Defibrillators

Scott Smith was recognized to present this item. Mr. Smith stated that this proposed rule is required by legislation and proposes to set parameters for schools when purchases of external defibrillators are purchased, as funds may become available, by local districts.

Ms. Burrow moved adoption for public comment. Dr. Knight seconded the motion. The motion was adopted unanimously.

Consideration for Approval for Public Comment: Proposed Rules Governing the Purchase of Instructional Materials by Arkansas School Districts

Scott Smith was recognized to present this item. Mr. Smith stated that this proposed rule is required by legislation and formalizes procedures under which local districts preview and purchase textbooks and other instructional materials. He noted that procedures have been in place for some time and these rules will formalize the procedures.

Dr. Mays moved adoption for public comment. Ms. Rebick seconded the motion. The motion was adopted unanimously.

Consideration for Approval for Public Comment: Proposed Rules Governing the Standards for Accreditation of Arkansas Public Schools and School Districts

Scott Smith was recognized to present this item. Mr. Smith outlined new provisions for the standards linked to districts attaining unitary status and for updating as required by other statutes adopted in 2007.

Ms. Rebick asked about the expectations for unitary status. Mr. Smith responded that the districts in Pulaski County were the primary focus as they work toward unitary status.

Ms. Rebick moved approval for public comment. Dr. Williams seconded the motion. The motion was adopted unanimously.

Consideration for Final Approval: Proposed Changes to Rules and Regulations Governing the Arkansas Better Chance Program

Jamie Morrison was recognized to present this item. Ms. Morrison reported that three public meetings were conducted with no opposing comments being received. Minor technical changes were made as a result of comment, but no policy type changes.

Dr. Williams asked about public comment regarding the requirement for all teachers to have a Bachelor's degree. Ms. Morrison responded that it was not an issue at the public comment meetings. Dr. Williams asked if staffing of classes could be an issue. Ms. Morrison stated that currently between 70 and 80 percent of the staff meet the degree requirements.

Mr. Cooper moved approval for final approval. Dr. Knight seconded the motion. The motion was adopted unanimously.

Consideration for Final Approval: Rules Governing the Requirement of a Criminal Background Check for the Employment of Personnel in School Districts

Scott Smith was recognized to present this item. Mr. Smith reported that a public meeting was held, but no comments were received. The document remains unchanged.

Dr. Knight moved final adoption. Dr. Williams seconded the motion. The motion was adopted unanimously.

Consideration for Final Approval: Proposed Rules Governing Criminal Background Checks for Substitute Teachers

Scott Smith was recognized to present this item. Mr. Smith reported that a public meeting was held, but no comments were received. The document remains unchanged.

Mr. Cooper asked about the possibility of private firms doing background checks. Mr. Smith indicated that was not discussed as part of this rule.

Mr. Lawson moved final approval. Ms. Rebick seconded the motion. The motion was adopted unanimously.

Consideration for Final Approval: Arkansas Department of Education Rules for Special Education and Related Services: Procedural Requirements and Program Standards; and, Special Education Eligibility Criteria and Program Guidelines for Children with Disabilities, Ages 2-21

Marcia Harding was recognized to present this item. Ms. Harding stated that during public comment hearings, those participating spoke in support of the proposed changes. She indicated that minor non-technical changes were made, but no policy changes were made since the document was adopted for public comment.

Dr. Williams inquired about staffing requirements under the new rules. Ms. Harding responded that that was a consideration, but the end result seems to indicate that the staffing changes will be very minimal.

Ms. Rebick asked about funding serviced to private schools. Ms. Harding responded that funds are not allocated to private schools.

Ms. Rebick moved final adoption. Dr. Knight seconded the motion. The motion was adopted unanimously.

Consideration of Proposed Annual Improvement (Gains) for Grades 3 – 8 and Report from the Standards Setting Process

Dr. Charity Smith was recognized to present this item. Dr. Smith reported that the proposal under consideration was presented at the previous meeting and no changes are being recommended. Dr. Smith reported that she and members from the advisory committee have made presentations at national conferences and they have been well received.

Ms. Rebick moved to approve the proposal as presented. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Request Approval of Recommendation to Remove Teacher's License from Suspended Status – Alvin Yarberry, Jr.

Tripp Walter was recognized to present this item. Mr. Walter reported that Mr. Yarberry's license was suspended on February 12, 2007, resulting from documented non-payment of child support. He stated that the Office of Child Support Enforcement has authorized a release of the suspension.

Mr. Lawson moved to remove the suspension status of the teaching license for Alvin Yarberry, Jr. Dr. Williams seconded the motion. The motion was adopted unanimously.

Hearing on Denial of Teacher's License – Clinton Sago

This item was deferred until a later date.

Hearing on Revocation of Teacher's License – Kellie Beasley

Tripp Walter was recognized to present this item. Mr. Walter stated that the Department had met all requirements to contact Ms. Beasley about the recommendation to revoke her license. He reported that there had been no response, nor was Ms. Beasley present or represented.

Dr. Mays moved to permanently revoke the license of Kellie Beasley. Ms. Burrow seconded the motion. The motion was adopted unanimously.

Hearing on Revocation of Teacher's License – David Warner

Tripp Walter was recognized to present this item. Mr. Walter stated that the Department had met all requirements to contact Mr. Warner about the recommendation to revoke his license. He reported that there had been no response, nor was Mr. Warner present or represented.

Ms. Rebick moved to permanently revoke the license of David Warner. Dr. Knight seconded the motion. The motion was adopted unanimously.

Hearing on Revocation of Teacher's License – Amy Hilbun

Tripp Walter was recognized to present this item. Mr. Walter stated that the Department had met all requirements to contact Ms. Hilbun about the recommendation to revoke her license. He reported that there had been no response, nor was Ms. Hilbun present or represented.

Dr. Knight moved to permanently revoke the license of Amy Hilbun. Mr. Cooper seconded the motion. The motion was adopted unanimously.

Public Comment

The following individuals address the Board regarding issues emanating from the Marvel and Elaine communities regarding safety and transportation linked to the Marvel School District.

Calvin Frierson
Lucien Webster
Xzavior Johnson

Dr. Mays requested that the May meeting contain the opportunity for the Board to discuss issues related to adequacy and the public school funding formula and to clarify legislative expectations for the Board related to closing the gap between standards and adequacy.

Mr. Lawson moved adjournment. Dr. Williams seconded the motion. The motion was adopted unanimously.

The meeting adjourned at 4:10 p.m.

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

ATTACHMENT
State Board of Education Minutes
April 21, 2008

The following discussion on adequacy is included as an attachment to the Minutes at the request of Board member Dr. Ben Mays. This discussion is excerpted from the questions directed to Dr. Bernie Hellums, superintendent of the Murfreesboro School District, during the question/answer session regarding classification of Murfreesboro in fiscal distress.

Mays: On your athletics expenditure report you state that the district spent \$219,000 for athletics expenditures last year. That calculates to \$428 per student. The funding formula did not include money for athletics except for a \$50 stipend for sponsors serving in extra curricular activities. How can you spend \$428 per student for a program that is not funded and take that money away from academic programs that are legitimate academic programs funded under the adequacy formula?

Hellums: Those issues are somewhat being addressed by the proposed changes being made for next year. We're eliminating the softball program and eliminating some coaching assignments.

This issue may also be related to coding. All coaches spend time in the academic program, which includes physical education and health instruction. We do have a great sports program.

Mays: How can you spend \$428 per student on athletics and adequately fund the academic program.

Hellums: You cannot.

Mays: What happens to adequacy when that happens?

Hellums: I cannot tell you in general, but I can tell you about Murfreesboro since I became superintendent. I am serious about academics. I am a former classroom teacher of advanced mathematics and calculus. I believe in the academic program and I also know how important the sports program is to the school. When programs are inherited, it takes a long time to make changes.

Mays: From your expertise as a superintendent, I'm trying to get an answer to the question about what happens to adequacy when funds are used on programs that are not included under adequacy.

Hellums: That is going to have to be addressed. One of the tasks for the district next year will be to look at program costs. Also, the district will need to examine APSCN coding to determine if some items are coded wrong.



Dr. Ken James, Commissioner, Dept. of Education



Diane Tatum, Chair, State Board of Education