

**Minutes
State Board of Education
Monday, October 13, 2008**

The State Board of Education met on Monday, October 13, 2008, In the Auditorium of the State Education Building. Chairman Randy Lawson called the meeting to order at 9:00 a.m.

The following Board members were present: Randy Lawson, Chairman; Dr. Naccaman Williams, Vice-Chairman; Sherry Burrow; Jim Cooper; Brenda Gullett; Sam Ledbetter; Dr. Ben Mays; Alice Mahony; Diane Tatum.

No Board members were absent.

Work Session

Recognition of Blue Ribbon Schools – 2008

Dr. Ken James and Chairman Randy Lawson recognized the following schools as Blue Ribbon Schools for 2008 as identified by the U.S. Department of Education. Each was presented a proclamation issued by the Arkansas Secretary of State and a congratulatory letter from Governor Mike Beebe.

Batesville High School, Batesville, AR represented by superintendent Ted Hall and assistant superintendent Debbie Miller.

KIPP Delta College Preparatory School, Helena-West Helena, AR represented by administrator Scott Shirey.

William Jefferson Clinton Elementary School, Pulaski County Special School District, AR represented by principal Jackie Parker and members of the staff.

Discuss Issues Regarding Annexing a District to Multiple Receiving Districts

Department of Education Staff Jeremy Lassiter and Bill Goff presented an overview of legal and procedural considerations that must guide any decision to annex property and existing facilities to one or more contiguous districts.

Dr. Mays asked if this process had been started in the two districts currently under Department administration. Dr. James responded that no work has started because it would be premature to begin without a clear direction from the Board. Dr. Mays noted it was his opinion that such direction was given when Board approved State management of the school districts recently considered. Dr. James stated that the process would start with this work session and a discussion of possible future options.

Mr. Lawson stated his opinion that for the districts under consideration all possible options should be on the table. He noted the complexities of multiple divisions of existing districts,

especially when there are varying millages, assessed property values, and other factors; he observed more specifics will be necessary beyond what was provided in the presentation.

Mr. Goff responded that the presentation was designed to be generic, not directed toward any one or combination of districts. Mr. Lawson referenced the issue of dividing assets and liabilities should a single district be subdivided and that the issue was complex, but in certain cases should be considered if it was in the best interest of students, educators and patrons or stakeholders.

Ms. Gullett asked about waivers that should be afforded districts that take in another district or part of a district. Mr. Goff stated that there were some waivers already available, especially those related to determination of adequate yearly progress. Ms. Gullett suggested that staff should research all available waivers that could be allowed to receiving districts. Dr. James noted that any waivers, especially related to No Child Left Behind, would have to be reviewed and approved as part of the State's Accountability Workbook by the U.S. Department of Education.

Dr. Williams asked about the creation of local boards for newly created or consolidated districts. Mr. Lassiter responded that more research will be needed, especially if a local district is subdivided. He suggested some local negotiation would be required as the process emerges.

Mr. Cooper asked about allocating debt to receiving districts. Mr. Goff stated that each situation would be unique and that much work and negotiation would be essential to identify local debt and assign it to multiple receiving districts.

Mr. Goff discussed a possible timeline for making annexation or consolidation decisions. Ultimately, he summarized that it would take a minimum of six months or more, probably up to one calendar year to finalize all components of subdividing a district.

Dr. Mays suggested urgency in giving the Department direction. Dr. James responded that the Department has begun assessing options, but noted that if the State went into a district and began redrawing district boundaries such action would create a new sense of unrest and concern for patrons in the district. He suggested that initiation of any formal action steps would have to have explicit direction from the Board.

Reports

Chair's Report (*First person wording provided by the Chair*)

During a recent business trip to the San Francisco Bay Area and Silicon Valley area in late September, I also spent several hours visiting a nationally recognized middle school, Visitacion Valley Middle School at my own expense. It was reported that the school's student population came from a very violent area with up to one-half of the student population's parents either being incarcerated currently or previously. The demographics were diverse with: Hispanic, African American, Samoan, White and Asian all represented. About one and a half years ago a new principal, Mr. James Dierke, started "quiet time." "Quiet time" represents two fifteen minute periods per day – one at the beginning of the school day and the other at the end – whereby the students spend the time quietly reflecting, meditating, praying or just being still and quiet. "Quiet time" was voluntary and had over ninety-five percent participation. Since the

commencement of "quiet time," virtually all measure of discipline has significantly improved with some early signs of academic achievement improvement. The visit was interesting and enjoyable and I wanted to share the highlights with my fellow board members.

Also, I received a call a couple of days ago and an email from Mr. Richard Green, Program Support Specialist Arkansas Committee representing, "Employer Support of the Guard and Reserve." Mr. Green requested the opportunity to speak at our meeting in the near future. I told him we would be happy to visit with him, but that I was not sure we were the forum he envisioned. I informed him that the SBE did not really have any personnel authority over local district personnel and that it was handled at the local district level. Further, I told him that Commissioner James handled all personnel matters for ADE and that I could assure him Commissioner James and the department would fully cooperate with national guardsmen returning from duty to the ADE, if we have any returning service members. After we visited he realized that our board meeting was probably not the forum he initially thought and presenting to us would not be that beneficial. I assured him that we – the SBE - supported and honored the returning Arkansas guardsmen and that if there was anything that we could further assist him with I would be glad to help. His job is to assist returning service members in the reintegration within the workforce of public and private employers throughout Arkansas, as I understand. He also stated that approximately 3,500 returning guardsmen would be returning back from their duty over the next two or three months. Commissioner James is very aware of the returning guardsmen and like us honors their service and wishes them well in their return home and to work.

Ms. Tatum reported attending a conference jointly hosted by the National Association of State Boards of Education (NASBE) and the US Army at Fort Jackson. This was the first of a series of collaborative events between the sponsoring organizations, she reported. Ms. Tatum noted that the conference was intended to provide updated information on the need for military recruits who have more advanced skills and are better prepared to meet the expectations of today's military. She stated that the emphasis for this meeting was focused on secondary education. She also noted that data presented describing the educational preparedness of many recruits was alarming. Ms. Tatum also reported her attendance at a planning meeting at ADE related to the State's participation in developing an Action plan linked with the ACHIEVE Organization.

Commissioner's Report

Dr. James reported that Arkansas was one of eight states participating in the ACHIEVE Policy Institute (referenced by Ms. Tatum) designed to assist states in increasing the rigor of high school programs. He noted that this is a 24 month process and teams from each of the states will be meeting in Washington in November to continue this work.

Dr. James stated that a Summit hosted by Governor Mike Beebe to discuss economic development and education is scheduled for later in the week (October 16, 2008). He stressed the Governor's intent to make Arkansas competitive in the national workforce and that a more educated workforce is essential to keep Arkansas moving forward economically.

Dr. James reported that the first Milken Educator Award was awarded last week to an elementary teacher in Fort Smith. He noted it is always exciting to see these awardees when they realize they are the recipient of the award.

Quarterly Financial Report for Decatur School District

Bill Goff and LeRoy Ortman (interim superintendent) were recognized to make this report. Mr. Goff shared a revised projected financial statement. Mr. Ortman stated that work was underway to revise the operating budget to more effectively utilize categorical funds and federal funds awarded to the Decatur District. He stated that the financial condition of the district is improved primarily due to generous donations of cash to the district by patrons that were made since being designated in fiscal distress last summer.

Ms. Burrow asked about enrollment projections for the remainder of this year and in the future. Mr. Ortman responded that it was his feeling that the enrollment is now stable and he does not expect further transfers out of the district. However, he cautioned that any action by the State that would suggest redistricting or redrawing of boundary lines would have the potential for mass exodus from the district.

Dr. Williams asked if the projected balance for the current fiscal year is a dependable number. Mr. Goff responded he believed it would hold. Ms. Gullett asked about future private donations. Mr. Ortman suggested that no district should base its future on private donations and local fund raiser project such as car washes and bake sales.

Dr. Mays asked if the "clean up" was completed. Mr. Ortman responded he believes that to be the case; however, there are some issues yet to be resolved. Dr. Mays asked about the salary of the former superintendent. Dr. James responded that was one of those unresolved issues. Dr. James noted that the legal staff continues to work through the resolution of the contract. He indicated that one payment (July) was made, but no additional funds has been awarded. Depending on resolution, this could be an additional major expense for the district.

Dr. Williams asked as to when ADE projected the district to be financially solvent. Mr. Goff responded that much depends on enrollment over the current year and next school year. By the end of Year-2 it must be solvent or other action will have to take place.

Dr. Mays asked about expenditures of \$172,000 for athletics, which is about \$300 per student. He observed that the funding formula suggests \$50 per student is a more reasonable amount. Dr. Mays asked how such expenditure could be supported when it takes in excess of \$250 per student out of the instructional budget each year. Mr. Ortman suggested that athletics is a major concern for the patrons of the Decatur district and that the attitude of students and parents revolved around the student's participation in competitive athletics. Mr. Ortman suggested that he's not sure just where such funds would come from, but they are essential to the future of the district. Mr. Cooper asked what Mr. Ortman thought would happen if athletics were suspended. Mr. Ortman suggested there would be a mass request for choice forms! He again stressed athletics are very important to the Decatur community.

Mr. Ledbetter asked about the current millage and the possibility of raising millage. Mr. Ortman stated that the current millage rate was 39.5. Mr. Ledbetter asked if patrons would support an

increase for the school system. Mr. Ortman suggested that patrons probably would support some additional millage; however, residential property is almost the only thing of assessed value in the district. He noted that it takes 4 mills to raise approximately \$180,000 in revenue.

Mr. Lawson stated that it was important to give the Department direction for moving forward in management of the Decatur district. Dr. James responded that any direction must be clear and well focused for the State to initiate action.

Mr. Cooper stated that the Board should trust ADE and Mr. Ortman to move the district forward this year, they seem to have created a stable situation there and he personally would not want to go beyond what is in place at this time. Mr. Lawson noted that the Board must always keep in mind what is best for the students; however, the Board cannot wait until the end of next year and begin consideration of options especially when the Board just learned it takes six to twelve months to put annexation or consolidation in place. Mr. Lawson suggested local participation is important in the overall decision process and that any final resolve should be crafted in such a way that the patrons of Decatur School District can support.

Dr. Williams proposed a clarifying statement – all options are still open; however, the Decatur School District is not financially solvent at this point. He also noted that there is a probability that the district could stay in tack, that it could be annexed/consolidated with another district or it could even be subdivided based on some reasonable geographical boundary(ies).

Dr. Mays suggested that by the next quarterly report some clarity of future direction should emerge if it takes up to a year to exercise the option for annexation/consolidation.

Dr. Williams suggested that some clarity was needed from ADE by the next quarterly report if some method of subdividing the district was a viable option. He suggested he would hesitate to recommend subdivision of the district as a viable option.

No further action was taken.

Quarterly Financial Report Greenland School District

Bill Goff and Dr. Roland Smith were recognized to make this presentation.

Mr. Goff summarized the current financial status of the Greenland School District noting projects positive balances at the end of the current fiscal year. Dr. Smith cited actions taken to reduce costs and noted that the proposed end-of-year balances do not reflect additional one-time revenue. Dr. Smith's presentation included data assimilation from the school affirming that students participating in athletics have better attendance, graduate at a higher rate, and have a higher grade average when compared with student who do not actively compete.

Ms. Gullett asked about an item in the report citing the number of students completing the ACT test. Dr. Smith provided data that the number of students taking the ACT test was approximately 50% of those eligible to take that college prep test.

Dr. Mays asked if the athletic performance study cited could be linked to a cause-effect study.

Mr. Lawson summarized by suggesting that there are many differences between the Greenland and Decatur districts; but, at this point it was too early in the process to rule out any option for final disposition of either of the districts.

Dr. Williams proposed that by the next quarterly meeting ADE should provide data that would give multiple options – a single district annexation/consolidation; viability of districts remaining intact and finally any possibility of subdividing either of the districts.

Consent Agenda

Ms. Gullett asked for clarification regarding denial of waivers for licensure items as noted on the Consent Agenda. Beverly Williams responded to this question.

Dr. Williams asked about the issue of unitary desegregation status for the districts in Pulaski County. Dr. James responded that Little Rock has asked for and been granted unitary status at the local level. However, that status is on appeal in Federal Court. He also noted that both North Little Rock and Pulaski County Districts are working to achieve unitary status. Dr. James also suggested there was concern among the districts for future state funding when or should any of those districts finally achieve unitary status.

Ms. Tatum moved approval of the Consent Agenda. Ms. Burrow seconded the motion. The motion was adopted unanimously.

- Minutes – September 8, 2008
- Commitment to principles of desegregation settlement agreement: Report on the execution of the implementation plan
- Newly employed, promotions and separations
- Report on waivers to school districts for teachers teaching out of area for longer than thirty (30) days, Act 1623 of 2001
- Review of loan and bond applications

Action Agenda

Consideration for Public Comment: Repeal Arkansas Department of Education Rule Governing the Calculation of School District Base Millage Requirements to be Used in Determining Required, if any, Additional Mills to be Voted in the September Election of Each School Year

Cindy Hedrick was recognized to present this item. Ms. Hedrick stated that the Rule in question was no longer needed due to legislative action surrounding the Lakeview Decision as well as other legislative actions.

Mr. Ledbetter moved approval for public comment. Mr. Cooper seconded the motion. The motion was adopted unanimously.

Request for Approval of 2008-2009 Arkansas Better Chance Funding Recommendations (October 2008)

Jamie Morrison was recognized to present this item. Ms. Morrison stated all items were reviewed by staff and approval recommended.

Ms. Gullett moved approval as presented. Dr. Williams seconded the motion. The motion was adopted unanimously. (\$113,606 approved)

Request for Charter Amendment of Open-Enrollment Public Charter School: KIPP Delta College Prep School, Helena, AR

Dr. Mary Ann Brown and Scott Shirey, KIPP administrator, were recognized to present this item. Ms. Brown summarized the request, which was to add 75 additional students at each grade level beginning with kindergarten (2009-2010) and continuing through Grade 4 adding 75 students per year each year for four additional years.

Mr. Ledbetter asked where students who attend KIPP come from. Mr. Shirey responded that about 67% came from the Helena-West Helena District with the remainder coming by bus from Elaine, Marianna, and other surrounding areas. He also noted that one student's parents bring the child from Brinkley each day.

Ms. Tatum asked about the number of waivers requested by the proposal. Dr. Brown stated that a number of the waivers would not be allowed because they were not allowed in the Charter Rules. Waivers of accountability, facilities, special education cannot be awarded. Mr. Shirey stated that KIPP was aware of the limitation on waivers and that the program will be administered within the Rules as adopted by the Board and the Accreditation Standards.

Ms. Mahony asked about the mobility rate at KIPP. Mr. Shirey responded that it has been as high as 20% in one year, but more recently it is approximately 8% a year.

Dr. Mays asked if a program extension could be granted without information being presented describing the proposed facility. Dr. Brown stated that in expansions such reporting had not been expected and cited Academics Plus expansion granted in July. Mr. Shirey stated that at least two options were on the table for additional classroom space. He stated that one grade could be added next year within the current space and he projected that additional grant funds were anticipated, which would be directed toward purchasing portable classroom space. He also stated that KIPP has adequate land on which the additional classroom can be erected.

Dr. Williams moved approval contingent on a review of space requirements and review of waivers by the attorney's office. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Mr. Lawson reminded the Board that a portion of the November meeting would be the joint meeting of the three State Boards of Education. That meeting will convene at the Governor's Mansion on November 3, at 9:00 a.m.

Without objection, the chair declared the meeting adjourned at 12:15 p.m.

As the meeting adjourned, Dr. Mays asked about including an "open" item at the end of the Action Agenda at which time any member of the Board could raise a question or present an item

for discussion by the Board. Chairman Lawson responded that any member of the Board may submit any question or item to the Chair or to Dr. James prior to the publishing of the agenda and that item could be included in the regular agenda. Mr. Lawson stated that adding an item the day of the agenda does not provide adequate time for other Board members and Department staff (as needed to provide supporting documentation) to prepare for the discussion. Dr. Mays requested that the Board engage into a dialogue with policy makers outside ADE such as representatives from the Attorney General's Office or from the General Assembly that would further identify and delineate the roles and responsibilities of the Board and its members. Dr. James noted that the Legal Office had prepared a packet of materials and was scheduling sessions with new Board members. He stated that Ms. Mahony spent a full day recently with staff attorneys and other ADE staff and additional sessions are planned. Dr. Mays suggested it was important to hear from individuals outside the agency. Chairman Lawson reaffirmed that agenda items could be added by any Board member submitting the item to the Chair or to Dr. James.

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



Dr. Kenneth James, Commissioner, Dept of Education



Randy Lawson, Chair, State Board of Education