

Minutes
State Board of Education
Monday, June 13, 2005

The State Board of Education met on Monday, June 13, 2005, in the Auditorium of the Department of Education Building. JoNell Caldwell, chairman, called the meeting to order at 9:00 a.m.

The following Board members were present: JoNell Caldwell, chairman; Sherry Burrow; Shelby Hillman; Dr. Calvin King; Randy Lawson; MaryJane Rebick; Dianne Tatum; and Dr. Naccaman Williams.

The following Board members were absent: Dr. Jeanna Westmoreland, Vice Chairman.

Special Recognitions

Dr. James recognized Governor Mike Huckabee for the purpose of recognizing the service of JoNell Caldwell to the State Board of Education. Ms. Caldwell was appointed to the Board in January 1997 and will serve through June 30, 2005. She was vice-chairman and served two years as chairman.

Shelby Hillman read a resolution from the Board recognizing Ms. Caldwell's service to the Children of Arkansas as a member of the State Board of Education.

Dr. Ken James recognized the service of Dr. Charles D. Watson as a staff member of the Department of Education for 35 years and most recently serving as staff liaison to the Board. Dr. Watson is retiring as of June 30, 2005.

Director's Report

Dr. James reported to the Board the new organizational staffing that will take place beginning July 1, 2005. He noted that each of the positions being announced will have a Grade 99 status, which means that each serves at the pleasure of the Commissioner. He emphasized that the structure resulted from the Management Audit conducted last fall.

Assistant Commissioners:

- Fiscal and Administrative Services – Dr. Bobbie Davis
- Human Resources – Beverly Williams
- Learning Services – Dr. Diana Julian
- Research and Technology – Jim Boardman

Director of Accountability – Dr. Charity Smith

Special Assistant to the Commissioner – Janinne Riggs

Special Assistant to the Commissioner for Research and Policy – Tristan Greene

Coordinator of Special Projects/Board Liaison – Kristi Pugh

Coordinator of Communications – Julie Thompson

Dr. James stated that this is the first phase of the reorganization structure and other announcements/recommendations will follow.

Ms. Caldwell recognized Dr. Mary Gunter, Education Administration Professor from Arkansas Tech University, and her education leadership class who attended the Board meeting as observers.

Work Session

Dr. Bobbie Davis reported to the Board that beginning in July the process for receiving payment of the \$85 per day stipend would be changed. She stated that the finance office would set up position numbers for each Board member and members will be paid the stipend through a payroll check as opposed to the current payment as part of travel reimbursement. She emphasized that travel would continue to be reimbursed separately.

Ms. Caldwell recognized Ann Harbison, a classroom teacher from the former Winslow School District and Winslow High School, which was annexed to the Greenland School District last July. Ms. Harbison expressed concern over the closing of Winslow High School after only one year under the annexation agreement.

Dave Floyd provided an update on the status of work in the Facilities Office. He indicated that activities were underway that would lead to permanent rules to replace those that were previously issued under emergency status.

Consent Agenda

Dr. James informed Board members that the Mammoth Spring School District requested that consideration of a revolving loan application be removed from the Agenda.

Ms. Hillman moved approval of the Consent Agenda as amended by removing Mammoth Spring School District from the revolving loan application list. Mr. Lawson seconded the motion. The motion was adopted unanimously.

- Minutes – May 9, 2005
- Minutes – May 26, 2005
- Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution of the Implementation Plan
- Newly Employed, Promotions and Separations
- Report of Waivers to School Districts for Teachers Teaching Out-of-Field for Longer than Thirty (30) Consecutive Days, Act 1623 of 2001
- Declaration of Critical Academic Shortage Areas as Required by Act 1146 of 2001
- Review of Loan and Bond Applications (as amended)

Action Agenda

Continuation of Review of Request for Amendments to Charter of HAAS Hall Academy Open Enrollment Charter School in Farmington

(The full text of this item was recorded by a court report and the transcript can be found as an attachment to these minutes.)

Jim Boardman was recognized to continue this discussion. Mr. Boardman summarized actions to date related to a series of requests from HAAS Hall. Mr. Boardman expressed concern that requested information was not readily provided and that often responses lacked full explanation or failed to address key points as requested. Mr. Boardman reported that Dr. Schoppmeyer, administrator at HAAS Hall, notified the Department of the location of a proposed facility in Fayetteville and that Dave Floyd, Department facilities specialist, traveled to Fayetteville to see the site and make a determination of its feasibility as a site for the campus. Mr. Floyd reported that the facility previously was used as a private school and the instructional spaces were considered adequate except for laboratory space for lab science courses. He did note that accommodations for handicapped students would have to be provided, which the owner of the building has agreed to provide. Mr. Floyd also noted that this facility was constructed in the 1970's and there is potentially an asbestos problem, which must be addressed by the owner.

Mr. Boardman noted that there remains a major concern for adding Grade 9 and the issue of providing the required 38 units of study as required in *Standards for Accreditation of Arkansas Public Schools*. Mr. Boardman stated that services of his office as well as services of the Standards Unit were offered, but no request has been received from the school's administrators. He affirmed that the Department does not have sufficient information to base a decision on the required 38 units of coursework.

Dr. Schoppmeyer contends that a waiver of the 38 units was requested. However, Scott Smith informed the Board and Dr. Schoppmeyer that neither the Department nor the Board can waive curriculum offerings. Ms. Hillman asked which courses Dr. Schoppmeyer would have the Board waive. Dr. Schoppmeyer responded that primarily those linked to vocational and technical offerings. He did say that in lieu of technical courses, the school would seek to provide additional "academic" courses.

Dr. Williams stated that he is concerned that no progress is being made in resolving these issues. He affirmed his belief that good instruction was taking place, parents and students were happy with the program and it appears to be meeting a need for those students who continued enrollment. Dr. Schoppmeyer stated that if HAAS Hall is required to offer all of the courses required of every other school, the charter school will look like every other school and that it is their intent to be different and provide an alternate option for students. However, he stated the school would provide whatever assurance necessary to meet the Board's requirements.

Ms. Rebick asked about the financial statement that was requested at the previous meeting, stating that no information was provided as required. She stated it was her belief that HAAS Hall was not providing anything that would not otherwise be available at Fayetteville High School or other high schools in the area. Ms. Rebick opined that she was ready to request a hearing as required in the Rule for revoking a charter.

Ms. Caldwell stated that this was the Board's third attempt to get information sufficient to make a decision on the status of this school and to consider amendments originally proposed and at this time there is nothing to consider. She informed Dr. Schoppmeyer that three pieces of information were to be presented to the Department for distribution to the Board by Noon, Friday, June 17. That information was to include:

- A detailed financial statement reflecting enrollments, anticipated revenue from grants and other sources, and a budget for the coming school year.
- A definite plan for offering and teaching the full 38 content units as required by the State
- A signed agreement with the owner of the proposed facility and a commitment to make adjustments as required for handicapped students, asbestos removal, acquisition of laboratory equipment, and any other potential barrier to full and compliant operation of the school beginning in August.

Ms. Caldwell's direction was that once the Board receives these documents a determination of next steps will be made in consultation with Department staff.

Dr. Williams emphasized to Dr. Schoppmeyer the importance of moving this agenda forward and getting these items prepared and turned into the Department on time. He affirmed the Board's indulgence with this school and its seemingly lack of timely response. He stated it was his opinion that it was time to get this resolved or start proceedings that would lead to revocation of the charter.

(No formal action was taken.)

Request for Approval of Arkansas Better Chance (ABC) First Round of 2005-2006 Grants

Paul Lazenby was recognized to present this item. Mr. Lazenby stated that the document provided in the Board materials was amended to add two additional lines after the materials were mailed to the Board. He distributed a revised recommended list (**Attachment 1**). Mr. Lazenby reported that the two proposals were added to the list upon the advice of counsel because pending investigations that would make the entity ineligible had not been completed.

Dr. Williams asked for additional information regarding the evaluation research component. Mr. Lazenby responded that ABC secured the services of Rutgers University to assist with the research design. He stated that Rutgers developed a research strategy for use in educational settings that does not require segmenting control and treatment groups. Dr. Williams asked for a copy of the research design.

Ms. Burrow inquired about the proposals that indicated no space available. Mr. Lazenby responded that in the Emmet area they have an approved program, but the space previously used is no longer available. ABC is seeking new space in that area.

Dr. Williams inquired about conditions under which proposals were not recommended for funding. Mr. Lazenby responded that the reasons in most cases included inadequate staffing, failure to assure adherence to staff/student ratios or no assurance that an approved curriculum would be followed.

Ms. Hillman moved approval of the list as presented with the two proposals that do not meet full guidelines removed. Dr. Williams seconded the motion. The motion was adopted unanimously.

Consideration of Request from Pottsville School District to Exceed 27% Bonded Indebtedness

Patricia Martin asked that Randall Williams, Superintendent of the Pottsville School District, be recognized to respond to questions about this item. Mr. Williams stated that the building project was initiated several months ago and the community passed a millage increase; however, the construction costs increased dramatically during the time plans were being drawn and offered for bid. He stated that there is no reason to believe that revenue in the district would not be sufficient to meet the increased repayment costs. He cited an increase in enrollment and increased construction in the area, which increases the amount of property tax revenue available.

Ms. Rebick asked about student population. Mr. Williams stated that this year they have 1311 students and are projected to increase to approximately 1400 for the 2005 - 2006 school year. Ms. Rebick asked about construction in the area. Mr. Williams responded that the district has a good reputation for programs; there are a number of new housing developments with "starter homes" for young families. He stated that all of these factors help the district's ability to repay its debt. Ms. Rebick also asked about any indication of fiscal distress. Ms. Martin responded none.

Mr. Lawson moved approval of the requested debt ration of 28.54. Dr. King seconded the motion. The motion was adopted unanimously.

Petition from the Hot Springs School District to Move from a Six Member Board to a Five Member Local School Board

Scott Smith was recognized to present this item. Mr. Smith reported that the Hot Springs District met all of the conditions required by law to change the number of local school board members. Roy Rowe, Superintendent of Hot Springs School District, reported that recently one Board member resigned and this was a good time to bring the District into compliance with the law requiring an odd number of Board members.

Ms. Burrow asked if board members were elected by zone or at-large. Mr. Rowe responded that all were elected to at-large positions.

Mr. Lawson moved approval of the request as proposed. Ms. Hillman seconded the motion. The motion was adopted unanimously.

Petition from the Benton School District to Move from a Six Member Local School Board to a Seven Member Board

Scott Smith stated that the Benton School District met all of the conditions required by law to change the number of local school board members. Dr. Williams asked about the election of members. Dr. Diana Julian, Benton Superintendent, responded that members were all elected to at-large positions.

Ms. Tatum moved approval of the request as proposed. Ms. Hillman seconded the motion. The motion was adopted unanimously.

Petition from the Van-Cove School District to Move from a Six Member School Board to a Seven Member Board

Scott Smith stated that the Van-Cove School District met all of the conditions required by law to change the number of local school board members.

Ms. Tatum moved approval of the request as proposed. Ms. Rebick seconded the motion. The motion was adopted unanimously.

Request of Waiver from the Pulaski County School District for Number of Instructional Days, due to Catastrophic Occurrence

Dr. Charity Smith was recognized to present this item. Dr. Smith reported that Sherwood Elementary School was damaged by fire causing students to be out of school two days during planning for relocation of instruction. She reported that the Pulaski County School District has requested a waiver for those students to decrease the required number of days by two days. Ms. Tatum moved approval as requested. Ms. Hillman seconded the motion. The motion was adopted unanimously.

Request for Final Approval of Proposed Rules Governing the Nutrition and Physical Education Activity Standards in Arkansas Public Schools as Required by Act 1220

Dr. Bobbie Davis was recognized to present the status of this rule. Dr. Davis reported that following approval for public comment, many comments were received. She reminded Board members that those comments were provided with the May materials. She noted that following the regional public hearings and review of the written comments, the Department made a number of substantial changes. She referenced sections in the proposed Rule where there were major changes.

Ms. Burrow asked how the proposed change would affect the snack bar sales that are often provided in lieu of the regular lunch program. Dr. Davis indicated that the intent is that vending sales would have to include foods that are eligible to be served as part of the school lunch program. Dr. Davis also affirmed that similar food choices would be required to be sold as part of an alternate lunch option for students.

Dr. Davis indicated to the Board that due to the many changes that were made, Department counsel recommended that further public comment should be sought on the revised Rule.

Ms. Rebick asked for clarification on the appointment of advisory committees and a determination of who would be eligible to serve on such committees. Dr. Davis indicated that the local superintendent would appoint those committees with suggested representation included in the Rule.

Ms. Hillman moved that this Rule be approved for further public comment. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Request for Approval for Public Comment the Arkansas Department of Education Rule Governing the Public Education Salvage Computer Loan Program

Jim Boardman was recognized to present this item. Mr. Boardman noted that this rule was prepared in response to new legislation enacted during the 2005 General Assembly. Ms. Rebick asked that definitions for the terms of reasonable resale value and fair market value be reconsidered during the public comment period.

Dr. Williams moved adoption for public comment. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Request for Approval for Public Comment an Amendment to Arkansas Department of Education Rule Governing Charter Schools

Jim Boardman was recognized to present this item. Mr. Boardman stated that changes in the Charter School authorizing statute during the 2005 General Assembly require revision to the Rule.

Mr. Lawson moved adoption for public comment. Dr. King seconded the motion. The motion was adopted unanimously.

Request Approval for Public Comment Amendments to Rule Governing Highly Qualified Teachers

Dr. Frank Servedio was recognized to present this item. Dr. Servedio reported that the U.S. Department of Education has provided new flexibility for determining the highly qualified status of teachers who have multiple job functions. He noted that this flexibility is critical to teachers such as special education and alternate learning environments where teachers are expected to cover multiple content areas. He also indicated that this new matrix would be an addendum to the previous rule adopted by the Board.

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

Request for Approval for Public Comment on the Proposed Rules Governing Granting a Waiver of the Earnings Limitation to a Member of the Arkansas Teacher Retirement System

Dr. Bobbie Davis was recognized to present this item. Dr. Davis highlighted major changes to this Rule that resulted from action of the 2005 General Assembly. Ms. Rebick questioned if a teacher participating in the waiver program could add the new years of experience to retirement computation. Dr. Davis responded that no additional earnings were allowed by the Retirement System.

Mr. Lawson moved approval for public comment. Ms. Burrow seconded the motion. The motion was adopted unanimously.

Request for Public Comment to Repeal Arkansas Department of Education Rule Governing the Development of a Uniform Budget and Accounting System

Patricia Martin was recognized to present this item. Ms. Martin stated that the content of this rule was being added to a new rule that addressed policy related to the finance and accounting systems and that it is necessary to repeal rules that are no longer needed. Ms. Rebick moved approval for public comment. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Request for Approval for Public Comment of Arkansas Department of Education Rules Governing Arkansas Educational Financial Accounting and Reporting System and Required Training

Patricia Martin was recognized to present this item. Ms. Martin stated that this rule was prepared in response to new legislation from the 2005 General Assembly and incorporated policy from other rules, which are being recommended for repeal. She reported that Department staff met with many individuals and groups in preparation for this rule.

Ms. Rebick asked for clarification on how and which charter schools were impacted by this rule. Ms. Martin responded that all schools are subject to the policy established by this rule. Mr. Lawson asked about the requirement for notification by certified mail with return receipt, why not fax or e-mail. Scott Smith responded that official notifications must be documented that notice was sent and received and currently, electronic transmissions do not have that designation. Mr. Lawson noted that there could be some cost saving efforts with electronic transmission.

Ms. Hillman moved adoption for public comment. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Request for Approval for Public Comment an Amendment of Arkansas Department of Education Rule Governing Administrative Consolidation or Annexation of Public School Districts and Boards of Directors of Local School Districts

Scott Smith was recognized to present this item. Mr. Smith reported that this rule is a revision of policy regarding Act 60, the school consolidation legislation, from the special session in 2004. He stated that these amendments move the timeline forward so that when districts are annexed or consolidated they have more time to complete transition after the merger takes place. Mr. Smith noted that there are four districts that may be required to annex or consolidate under this act next school year.

Ms. Rebick asked if the law addressed a requirement for a common boundary. Mr. Smith responded that there are statutes that allow for voluntary consolidation that have different requirements than forced consolidations. This rule does not require common boundaries, but almost all have had a common boundary. Ms. Rebick asked if the Board could deny a petition when there is a forced consolidation. Mr. Smith said that the Board does have that power under Act 60.

Mr. Lawson moved approval for public comment. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Licensure Revocation: Michael Tencleve

Tripp Walter was recognized to present this item. Mr. Walter distributed additional documentation related to background of this case. He stated that Mr. Tencleve was convicted for Aggravated Assault in 2004 and assessed a fine, court costs and a 4 year probationary sentence. Mr. Walter stated that Mr. Tencleve currently holds a valid Arkansas license. Mr. Walter stated that the Department notified Mr. Tencleve by registered mail of the pending action. It was determined that Mr. Tencleve was not in attendance.

Ms. Hillman moved permanent revocation. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Election of Officers

Shelby Hillman, chairman of the Nominations Committee, repeated the Committee's report as given at the May meeting. Ms. Hillman moved that Dr. Jeanna Westmoreland be elected chairman and Dianne Tatum be elected vice-chairman for 2005-2006. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Other Business

Ms. Hillman expressed thanks to Dr. Charles Watson for his service as staff liaison to the Board and to her during her tenure as chairman.

Ms. Caldwell stated she was grateful to Dr. Ken James from the time he agreed to accept the invitation to become Director of the Department of Education. She expressed thanks to Board members for their service and their support during these two years she served as chairman. She stated it was her belief that every board member votes with the best interest of children.

Ms. Tatum moved adjournment. Mr. Lawson seconded the motion. The motion was adopted unanimously.

The meeting adjourned at 12:00 noon.

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