

Minutes
State Board of Education
Monday, April 11, 2005

The State Board of Education met on Monday, April 11, 2005, in the Auditorium of the State Education Building. JoNell Caldwell, Chairman, called the meeting to order at 9:00 a.m.

The following Board members were present: JoNell Caldwell, Chairman; Dr. Jeanna Westmoreland, Vice-Chairman; Shelby Hillman; Dr. Calvin King; Randy Lawson; MaryJane Rebick; Diane Tatum; and Dr. Naccaman Williams.

The following Board member was absent: Sherry Burrow.

Ms. Caldwell announced that Action Agenda Item A – 18 was being moved to the front of the agenda to accommodate other duties required of the presenter.

Consideration of Revised Public School Fund Budget for FY-05

John Kunkel was recognized to present this item. Mr. Kunkel stated that often near the end of a fiscal year it is necessary to amend one or more items in the Public School Fund Budget to accommodate previously unknown issues or conditions. Mr. Kunkel noted that these revisions are all related to budget issues that were not known last spring when this year's budget was adopted.

Ms. Hillman moved approval of budget revisions as presented. Dr. Williams seconded the motion. The motion was adopted unanimously.

Consent Agenda

Ms. Hillman moved approval of the Consent Agenda. Mr. Lawson seconded the motion. The motion was adopted unanimously.

- Minutes, March 14, 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
- Review of Loan and Bond Applications
- Workforce Action Report

Action Agenda

Items A – 1 through A – 17 were recorded by a court reporter and transcripts of those items will be available for review as part of the minutes. This document will only highlight actions taken and record the vote on each item. Future readers of the minutes may refer to the transcript for more detail.

Continuation of Review of Conversion Charter School Application from Emmet High School in Blevins School District

Jim Boardman provided an update of the previous discussion and summarized additional data submitted from the school. Dr. Gene Ross and Danny Davis represented Emmet High School and the Blevins District to respond to questions from Board members.

Ms. Rebick moved that the Emmet High School Conversion Charter not be approved. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Ms. Hillman and Ms. Caldwell encouraged the school to rethink phases of the application where there were many unanswered questions and consider coming back with a more detailed proposal under the next request for proposals.

Continuation of Review of Application for Renewal of the Open Enrollment Imboden Area Charter School in Imboden

Jim Boardman provided an update of the previous discussion and summarized additional data submitted from the school. Judy Warren presented data reflective of attendance and student performance at the school. Enrollment patterns and overall documented student performance remained concerns of Board members.

Ms. Tatum moved that action on this item be tabled until the May 9 meeting to allow the school to complete enrollment projections and provide the following additional data: tracking of individual students over the past three years; a list of applications for the 2005-2006 school year based on application deadline of April 15; a financial statement for the current year; a proposed budget for the 2005-2006 school year; and a statement of accreditation status – citations, corrective actions. Ms. Hillman seconded the motion. The motion was adopted unanimously.

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

Jim Boardman reported that this charter requested three amendments: consideration of curriculum waivers, adding a Grade 9, and relocation. Mr.

Boardman stated that the relocation could not be considered because no proposed location was included in the documentation provided. Concern was expressed for the decrease in enrollment. The current enrollment is only 13 students. Dr. Martin Shoppmeyer responded to questions.

Mr. Lawson asked if the developers were prepared to recommend a location in the Fayetteville area. Dr. Shoppmeyer stated that the school is still seeking a benefactor, which is needed to meet financial obligations.

Dr. Westmoreland moved to table any consideration of this request until the May 9 meeting and request the following information be provided for consideration by the Board: a proposed location in the Fayetteville area; a detailed list of course offerings for Grades 9-12 that would reflect the total 38 units of credit; clarification of Advanced Placement (AP) course requirements to include AP exams; and an updated financial statement based on projected enrollment after the April 15 registration deadline. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Consideration of Final Approval of Rules: ABC

Paul Lazenby was recognized to present this item. Mr. Lazenby reported that during the public comment period for these rules six public meetings were conducted and over 300 individuals attended. He noted that comments were made verbally at the hearings, in writing and via e-mail. Mr. Lazenby pointed out that some revisions were made to the proposed Rule in response to the comments and others were considered but not submitted as part of the final Rule. Mr. Lazenby identified transportation of students, meeting salary requirements for fully licensed teachers, and staff/child ratios as the major points of discussion at the regional meetings.

Dr. King asked about additional funds in the grants to cover transportation costs. Mr. Lazenby reported that grantees may request funds based on the number of students who ride a school bus.

Ms. Hillman asked about funding for licensed teachers. Mr. Lazenby indicated that proposals should include a request for funds to meet salary demands of licensed teachers. Ms. Hillman also asked for clarification of the required matching funds. Mr. Lazenby responded that grantees are required to show 40% match, but the match can be demonstrated in different ways. Ms. Hillman also requested who would be responsible for payment when special needs children require additional staff. Mr. Lazenby responded that ABC would coordinate such staffing with the Special Education Unit.

Ms. Rebick moved final approval of the Rule as revised. Dr. Westmoreland seconded the motion. The motion was adopted unanimously.

Each of the following items considering classification for fiscal distress was presented by Patricia Martin. Ms. Martin provided background information for each district and identified the cause(s) that led to identification.

Consideration for Fiscal Distress Classification – Althemier Unified School District

Dr. Westmoreland moved that Althemier Unified School District be classified in fiscal distress. Ms. Hillman seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Dierks School District

Ms. Rebick moved that the Dierks School District be classified in fiscal distress. Dr. Williams seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Dollarway School District

Ms. Hillman moved that the Dollarway School District be classified in fiscal distress. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Eudora School District

Ms. Rebick moved that the Eudora School District be classified in fiscal distress. Ms. Hillman seconded the motion. The motion was adopted 6 yes – 1 no. (Dr. King voted no.)

Consideration for Fiscal Distress Classification – Flippin School District

Ms. Rebick moved that the Flippin School District be classified in fiscal distress. Dr. Westmoreland seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Helena-West Helena School District

Mr. Lawson moved that the Helena-West Helena School District be classified in fiscal distress. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Lead Hill School District

Dr. Westmoreland moved that the Lead Hill School District be classified in fiscal distress. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Midland School District

Ms. Tatum moved that the Midland School District be classified in fiscal distress. Dr. Westmoreland seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Pulaski County Special School District

Ms. Tatum moved that the Pulaski County Special School District be classified in fiscal distress. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Waldo School District

Mr. Lawson moved that the Waldo School District be classified in fiscal distress. Dr. Westmoreland seconded the motion. The motion was adopted unanimously.

Consideration for Fiscal Distress Classification – Western Yell County School District

Ms. Tatum moved that the Western Yell County School District be classified in fiscal distress. Ms. Rebick seconded the motion. The motion was adopted unanimously.

Consideration of Loans and Bonds for District that Exceeds 27% Bonded Indebtedness: Earle School District

(The full discussion and action of this item is also included with the Court Reporter's transcript.)

Patricia Martin was recognized to present this item. Ms. Martin reported that this was the second request from this school district to exceed the 27% limit. She noted that events leading up to this request were the result of commitments made by the District pursuant to installing computer networks that were originally thought to be covered by e-rate reimbursements. However, the District later learned that the vendor filed for bankruptcy after selling the purchase agreement to another vendor.

Mr. Jack Crumbly, Earle Superintendent, presented additional information to the Board and responded to questions.

Mr. Lawson moved to deny the request to exceed the 27% indebtedness limit. Ms. Hillman seconded the motion.

Dr. King suggested that the District has incurred the debt and it must be paid regardless of the circumstances and that forcing the school to use its reserves to

make these payments will assuredly create declining balances, which will lead to fiscal distress. He observed that by taking this action the Board will virtually be pushing this district into fiscal distress. Ms. Rebick suggested that this might be a good thing for the district, and then they would be required to work with closer Department supervision of finances and get help that seems to be needed.

The motion passed on a vote of 4 yes to 3 no. (King, Tatum and Williams voted no.)

Review of QZAB Allocation Applications

Patricia Martin was recognized to present this item. Ms. Martin stated that the funds under consideration were federal funds that were created for a very specific purpose. They require schools to develop a public partnership, and require matching from a public or private entity outside the district. She reported that eligible projects must allocate 95% of the funds to renovation of facilities with 5% being allowed for administrative costs. Ms. Martin stated for a school to be eligible, it must be located in an enterprise zone or have at least 35% or more of its students eligible for free or reduced lunches.

Ms. Hillman asked why Paris was not approved since it was the only one on the list that was not recommended to receive funds. Ms. Martin responded that they were proposing new construction, not renovation – it was not eligible under the federal guidelines. Dr. Williams asked if a project would qualify if it were built up to three years ago, but was still being paid for by the district. Ms. Martin responded that proposals must be new projects, not ones that have already been completed.

Ms. Tatum asked about how and why budget requests were modified (reduced). Ms. Martin responded that there is a finite amount of money available. The committee first eliminated parts of the projects that were not eligible, then allocated funds based on remaining eligible activities.

Ms. Hillman moved approval of the distribution of QZAP funds as presented. Ms. Rebick seconded the motion. The motion was adopted unanimously.

Hearing Concerning License Revocation: John Bateman

Valerie Bailey was recognized to present this item. Ms. Bailey summarized the information provided concerning the conviction and disposition of the case. She reported that he was informed of the hearing, but he has not responded nor was he present for the hearing. Ms. Hillman moved for permanent revocation. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Hearing Concerning Licensure Revocation: John Crinor

Tripp Walter was recognized to present this item. Mr. Walter summarized the information provided. He reported that Mr. Crinor had been informed of the hearing and the Department has had no response nor is he present. Mr. Lawson moved permanent revocation. Dr. King seconded the motion. The motion was approved unanimously.

Hearing Concerning Non-Renewal of License: Jodone Bradley-Harris

Tripp Walter was recognized to present this item. Mr. Walter summarized the information provided. He reported that Ms. Harris had been informed of the hearing and the Department has had no response nor is she present. Ms. Hillman moved non-renewal of the license and permanent revocation. Mr. Lawson seconded the motion. The motion was adopted unanimously.

Hearing Concerning Licensure Revocation: Ron Chambers

Scott Smith reported that Mr. Chambers was represented by legal counsel from the Arkansas Education Association (AEA) and that the parties agreed to permanent revocation. Dr. Westmoreland moved permanent revocation. Ms. Hillman seconded the motion. The motion was adopted unanimously.

Director's Report

Ms. Caldwell requested that the meeting end with a report from Dr. James. Dr. James highlighted the following:

- Arkansas just completed a High School Summit Conference that was modeled after the National High School Summit. He noted that summer workshops are planned to “roll out” further strategies for the State’s high school reform efforts.
- The Legislature completed action on the Department reorganization bill so movement can go forward with implementation of that plan. He noted that members of the House and Senate gave almost unanimous approval to this proposal.
- The session also completed work on legislation to fund facilities work that is part of the Adequacy Study.

Ms. Tatum asked how the approval of the reorganization plan would impact filling positions. Dr. James responded that he intends to have recommendations in place by July 1, which is the effective date of the legislation. He noted that the plan calls for collapsing some positions in the agency and using salary savings to attract well-qualified employees to the Agency and help increase the focus on teaching and learning. Dr. James also stated that the legislation provides for additional Grade 99 and Grade 26 positions which can receive higher pay status. He stated that employees currently holding positions with Grade 99 will have the

opportunity to compete for the new assistant commissioner-level positions. Dr. James stated that after July 1, the director's position would be classified as Commissioner of Education.

Dr. Westmoreland moved adjournment. Ms. Hillman seconded the motion. The motion was adopted unanimously.

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