

Minutes
State Board of Education
Monday, April 13, 2009

The State Board of Education met on Monday, April 13, 2009, 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 and Diane Tatum.

The following Board member was absent: Alice Mahony.

Chair's Report

Mr. Lawson commented on the personal and property loss in the Mena area due to tornado damage. He noted that severe damage to the middle school could result in the building being condemned.

Ms. Tatum reported that following the Board's action to deny the expansion request for the charter school in Humphrey, she visited that campus and stated that following her visit she is convinced that the correct decision was made to deny the request.

Commissioner's Report

Dr. James reported that he has been in touch with Dr. Diane Gathright, superintendent of the Mena District, regarding the operation of the district following the recent storm. He noted that Doug Eaton from the facilities unit reports additional damage due to heavy rains following the storm. Dr. James stated that classes would not resume until Wednesday at the earliest.

Dr. James noted that the General Assembly adjourned leaving 81 acts, 24 appropriation measures, 17 retirement actions and additional legislation totaling 135 issues for action by the Department. Additionally the Department will engage in more than 25 interim studies.

Dr. James commented on the session for school officials, detailing components of the stimulus package, held in North Little Rock on April 10. He noted that each Board member received the packet of information provided to the local school officials attending. Dr. James pointed out that the major focus of the stimulus package funds is to improve student achievement.

Reports

Chairman Lawson noted the progress reports from Decatur and Greenland and commended the Department staff and the administrators from those two districts for the progress made as reported.

Consent Agenda

Chairman Lawson reported that two of the Loans and Bonds requests (Little Rock School District and Pulaski County Special School District) were being withdrawn from the Consent Agenda.

Mr. Lawson asked if anyone in the audience was present and wished to speak to any of the items being recommended from the Professional Licensure Standards Board. No one responded.

Ms. Gullett moved approval of the Consent Agenda with the exception of Loans and Bonds proposals from the Little Rock and Pulaski County Special School Districts. Dr. Williams seconded the motion. The motion was adopted unanimously.

- Minutes – March 13, 2009
- Newly Employed, Promotions and Separations
- Report on Waivers to School Districts for Teachers Teaching Out of Area for Longer than Thirty (30) Day, Arkansas Code Annotated § 6-17-309
- Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution of the Implementation Plan
- Review of Loans and Bonds Applications
- Consideration of Recommendation of the Professional Licensure Standards Board for Probation of Teacher's License (\$75 fine) for Two (2) years and Approved Rehabilitation/Counseling on Case #09-006 – Darrell Porter
- Consideration of Recommendation of the Professional Licensure Standards Board for Permanent Revocation of Teacher's License on Case #09-002 – Allison Dean
- Consideration of Recommendation of the Professional Licensure Standards Board for Permanent Revocation of Teacher's License on Case #09-003 Mike Gatlin
- Consideration of Recommendation of the Professional License Standards Board for Permanent Revocation/Voluntary Surrender of Teacher's License on Case #09-004 – Marshall Kelly

(Complete transcripts of the following items were recorded by a court reporter and are available from the State Board Office at the Department of Education.)

Consideration of Request for Second Lien Bond Approval – Little Rock School District

Bill Goff was recognized to present this item. Mr. Goff reported that the Little Rock District is seeking approval to issue second lien bonds in the amount of 21 million to be used for construction of a new elementary school to be built in the western edge of the Little Rock District and to complete various renovation projects across the district. Mr. Goff noted that this item was being considered separately due to issues and questions regarding the Little Rock District budget and potential loss of revenue due to loss of students across the district. Mr. Goff stated that it is the responsibility of the Department and ultimately the Board to be sure

that such requests are approved on sound financial bases and that repayment of the debt is soundly provided for by the district. Mr. Goff noted that the primary repayment is projected to come from increased property assessment and subsequent revenue in the amount of 1.6 million per year. Carey Smith representing Stephens Investments reported that there has been a steady increase of property assessment over the past five years, which is projected to produce revenue to cover the bond payments.

Ms. Gullett questioned the need for a new elementary school with the loss of students at schools across the district. Jean Ring representing the Little Rock District noted that there is currently overcrowding at elementary campuses in the western part of the district – specifically at Terry, Jefferson and Fulbright. Ms. Ring also noted that a new facility in that area has the potential to pull students currently in private school or home schooled back into the district.

Dr. James observed that should these scheduled loan payments not be made, the district would immediately be classified in fiscal distress.

Dr. Williams asked if the five year trend were similar to the increase in assessments over the past two years. Mr. Smith responded yes. Mr. Smith did say that the continued increases might not hold based on the current economic condition and he noted it is increasingly more difficult to project future assessments.

Dr. Mays asked if delaying a decision until more is known about the stimulus package would be one course of action. Dr. James responded that stimulus money could be used, but all has to be spent by December 2011 and there are no exceptions to this timeline.

Mr. Ledbetter moved to approve the request as presented. Mr. Cooper seconded the motion. The motion was adopted unanimously.

Consideration for Second Lien Bond for Pulaski County Special School District

Bill Goff was recognized to present this item. Mr. Goff summarized the proposal from the Pulaski County Special School District to issue second lien bonds in the amount of \$81 million to construct a high school in Maumelle and a middle school in Sherwood. Anita Farver, interim financial officer for the district, provided proposed cuts that the district has identified as potential cost saving measures to cover the cost of repayment of the debt. Ms. Farver's list included proposed reduction in contract days, reduction in the number of assistant principals, eliminate payment to teachers for bus and other duty, and other measures. Ms. Farver reported that with proposed cost savings and restructuring some debt, the annual payment of approximately \$11 million is covered.

Ms. Gullett asked for confirmation that teacher contracts would be cut. Ms. Farver responded that proposed cuts were approved by the Pulaski County Board, but were still subject to the approval of the union.

Robert McGill, interim superintendent, was asked to comment on the proposed list of cost saving measures. Mr. McGill stated that the list was proposed to the Board in special session and adopted subject to approval of the union in the case of teacher contracts.

Dr. Mays expressed concern for any district spending such large amounts on building new facilities with no additional focus on student learning.

Ms. Burrow asked if Dr. McGill thought the teacher's union would pass the proposal. Dr. McGill responded that it would be a challenge.

Mr. Ledbetter asked about the impact of previous decisions and on-going deliberations with the Jacksonville community regarding establishing an independent school district in Jacksonville. Dr. McGill responded that the Board has voted to isolate Jacksonville from debt obligations for future construction should Jacksonville be approved to establish an independent school district.

Mr. Ledbetter asked about status of construction or commitment to construct the proposed new facilities. Dr. McGill stated that site location has been committed and that a request for bids has been issued. He also noted that proposed opening of the new school for August 2011 will require almost immediate financing to allow the project to proceed.

Dr. James suggested that approval of any request from a district should not be approved unless there is a clear indication that funding for repayment of the debt is clearly established by the district. Dr. James noted that debt payments come off the top of a district's revenue, which could cause a reduction in funds across the budget if income for new debt payment is not assured in the beginning.

Dr. McGill assured the Board that the Pulaski County School Board is committed to finding the budget cuts as proposed.

Mr. Ledbetter suggested that the Board needs more assurance of the funding cuts before approving the proposal.

Mr. Cooper moved to approve the proposed second lien bond proposal for Pulaski County Special School District. Ms. Tatum seconded the motion. The motion failed on a roll-call vote by 3 yes – 4 no (Mays, Ledbetter, Gullett and Burrow voted no).

Action Agenda

Consideration of Request from Two Rivers School District for Approval to Close an Isolated School – Fourche Valley K-12 Campus

Tripp Walter was recognized to present this item. Mr. Walter provided a summary of the events leading up to the proposal to close the Fourche Valley campus. Mr. Walter noted that the Two Rivers District was created under Act 60 consolidation and that Fourche Valley School

(a K-12 campus), which is declared as isolated, was left intact following the formation of the new district. However, Mr. Walter noted that further reduction in student enrollment and increased costs caused the district to vote 6-1 to close the campus as of June 30, 2009. Mr. Walter stated that since the vote to close was not unanimous, the issue must be considered by the State Board. Sherry Holloman, superintendent, spoke for the Two Rivers District and Dr. Margaret Vogles a patron and resident of the Fourche Valley community spoke on behalf of maintaining the campus in the Fourche Valley community. Ms. Holloman stated that the district was constructing a new high school that would be in closer proximity to the community, but that new facility would not be ready for use until the beginning of the 2010 school year. Elementary students would be bused to one of the other campuses in the district. Dr. Vogles expressed concern for the long bus ride especially for the elementary children and pled that maintaining at least an elementary campus was important for the children and for the community.

Ms. Burrow expressed concern that the district failed to provide adequate notification to patrons that such a decision was to be made. Ms. Holloman stated that the agenda for the board meeting included an item for consideration of budget and she contended that closing the campus was strictly done as a cost saving and budgetary matter. She opined that not closing the campus will assure that we will be back here next year as a district in fiscal distress.

Mr. Ledbetter asked about the number of students that would remain in K-6 if an elementary school were to remain at the Fourche Valley campus. Ms. Holloman responded that there would be at most 60 students, requiring a full faculty with administration and requiring keeping the current building open. Mr. Ledbetter asked if additional staff or facilities would be needed if those students were brought into the Plainview campus. Ms. Holloman indicated that no additional staff would be necessary nor would additional facilities be required to accommodate the elementary students.

Ms. Gullett asked for confirmation of bus travel for the elementary students. Ms. Holloman affirmed that the longest bus route would be approximately 1 hour and 20 minutes each way.

Mr. Ledbetter moved to approve the request from Two Rivers District to close the Fourche Valley Campus. Dr. Williams seconded the motion. The motion passed on a roll-call vote 5 yes – 2 no (Mays and Burrow voted no.)

Consideration of the Petition for Voluntary Annexation of the Turrell School District into the Earle School District

(Mr. Ledbetter left the meeting)

Tripp Walter was recognized to present this item. Mr. Walter summarized the actions that occurred prior to this hearing and detailed the procedures to be followed during the hearing process. Mr. Walter stated that the two districts appear before the board with a voluntary annexation of administration with the intent to maintain two separate campuses. Alfred

Hogan, superintendent of the Turrell District and Jack Crumbly, superintendent of the Earle District, presented information to the Board relative to the voluntary annexation and detailed some of the proposed agreements between the two local boards in support of the annexation.

Mr. Darrell Jackson a patron and parent of students attending Turrell School District presented opposing arguments with a detailed summary of why the Turrell School District should be annexing with a district other than Earle and he cited reasons for annexing with Marion. The Marion School District administrators did not respond or present to the Board.

Mr. Ray Nassar, superintendent of the Hughes School District, encouraged favorable consideration of the proposed annexation.

Ms. Gullett inquired about proposed academic improvement based on the proposed annexation. She cited work of Mr. Hogan in the Turrell District for 31 years and 11 of those years as superintendent and noted the current low performance of students in the district. Ms. Gullett asked for evidence that the proposed annexation would improve the academic situation of either or both districts.

Dr. Mays asked if Mr. Hogan or members of the Turrell District had contacted other surrounding districts to determine the possibilities of annexation or consolidation. Mr. Hogan responded that contacts were made, but none would promise to maintain a school campus in the Turrell community given the short bus commute to Marion or other adjacent sites. Mr. Hogan stated that keeping a campus at Turrell was a primary objective of any annexation.

Dr. Williams stated that he was familiar with both districts and this proposal does not seem to be in the best interest of students from either district.

Ms. Tatum expressed concern for the low test scores and noted her fear for the academic future of students should such merger take place. She asked if the annexation were denied and another site were selected at some point in the future, where would students want or choose to attend. Mr. Hogan stated that many would voluntarily transfer to Earle.

Mr. Cooper moved that the proposed annexation be approved. Ms. Tatum seconded the motion. The motion failed on a roll-call vote 1 yes – 5 no (Williams, Burrow, Mays, Gullett and Tatum voted no).

Appeal to State Board Regarding Fiscal Distress Identification and Classification by Mammoth Spring School District

Bill Goff was recognized to present this item. Mr. Goff stated that Mammoth Spring School District was one of three districts identified by the Department that met the conditions for which the Board considers for classification in fiscal distress. He noted that Mammoth Spring appealed the Department's identification and seeks to provide documentation appealing the Departments identification. Mr. Ron Taylor, superintendent of the Mammoth Spring School

District was recognized to provide any additional documentation. Mr. Taylor acknowledged that the district had experienced the types of profile under which a district is identified in fiscal distress. However, Mr. Taylor stated that his district has been working with Department staff and had already implemented many of the changes that would be recommended for a district classified in fiscal distress. Mr. Cooper stated that the Mammoth Spring District sits almost on the Missouri state line and is in a somewhat remote location of the state.

Ms. Gullett asked Mr. Taylor if he considered help from the State important to moving his district back to fiscal stability. Mr. Taylor stated that he welcomed any help, but felt that much of what needed to be accomplished could be done without the district being classified in fiscal distress. He cited the negative publicity that could be generated by such designation.

Dr. Mays asked what evidence is presented to support approval of a waiver. Mr. Taylor stated that the local Board and district administrators could do what was needed without the help from the State.

Ms. Gullett moved to deny the waiver for identification in fiscal distress. Ms. Burrow seconded the motion. The motion was adopted unanimously.

Classification of Districts in Fiscal Distress

Bill Goff was recognized to present this item. Mr. Goff identified the three districts being recommended for classification in fiscal distress: Mammoth Spring, Mansfield, and Osceola. He summarized the fiscal conditions in each of the three districts and stated that Mansfield and Osceola did not contest the classification.

Dr. Williams moved to classify Mammoth Spring, Mansfield and Osceola Districts in fiscal distress beginning July 1, 2009. Ms. Tatum seconded the motion. The motion was adopted unanimously.

Consideration for Public Comment: Revision to Arkansas Department of Education Rules Governing Standards for Accreditation of Arkansas Public Schools and School Districts

Frank Wimer was recognized to present this item. Mr. Wimer stated that the proposed change is limited to adding a requirement for schools to offer a minimum of one-half unit of economics as part of the social studies required courses and to require all students after a future date to complete one-half unit of economics as a requirement for graduation. He noted that these requirements do not increase the number of units of study required for graduation but it does require all students to complete the economics requirement as part of the current social studies requirement.

Dr. Williams asked if the courses might be taught as part of a family and consumer science requirement. Annette Barnes responded that family and consumer science was not considered as an option for meeting this proposed requirement. However, the business education

curriculum might contain the required course as well as does the social studies offerings. Dr. James affirmed that Workforce Education was part of the decision-making process for this proposal and that Department did not seek approval for family and consumer science.

Mr. Cooper asked about coordination of the curriculum offerings with the Curriculum and Assessment Unit (managed by Dr. Gayle Potter) and Dr. James assured him that was being done.

Dr. Williams asked about qualifications of the teacher(s) for this new course. Beverly Williams stated that currently social studies assessment (Praxis II) includes a section on economics. She stated that other options could be considered.

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

Consideration of the Recommendation of the Arkansas Department of Education and the Professional Licensure Standards Board to Approve the Establishment of an Endorsement for Teachers who Assume the Role of Instructional Facilitator for their Local School/District

Beverly Williams was recognized to present this item. Ms. Williams stated that multiple sessions involving a diverse group of educators have worked on this recommendation for some time. She explained that for some time individuals have been working in school/districts doing the job that is under consideration, but there have been no qualifications for review or endorsement of teachers to hold such a position. Ms. Williams stated that individuals holding the position – instructional facilitator – are teachers, not administrators and as such the qualifications for the position are unique and not contained in any administrator training.

Ms. Gullett asked if the training and qualifications were part of the Leadership Academy work. Ms. Williams stated that she did not believe this was part of the emphasis of the Leadership Academy – at least not at this time.

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

The chair declared without opposition, the meeting was adjourned. The meeting adjourned at 3:10 p.m.

The discussion/presentation on the Federal Stimulus Package was postponed until a future meeting.

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