

**ARKANSAS STATE BOARD OF EDUCATION
OCTOBER 11, 1998**

Clarksville High School Library
1701 Clark Road
Clarksville, AR 72830
3:00 p.m. – 4:30 p.m.

Chair's Report----Ms. Betty Pickett

CONSENT AGENDA

1. Minutes (September 14, 1998)
2. Newly Employed, Promotion and Separations----
Ms. Clemetta Hood.....C-2
3. Final Approval of Waiver Request: Establishment of a Supplemental
Support Program within the School Day, Bismarck and Wynne School
Districts----Dr. Kevin Penix.....C-3
4. Review of Loans and Bonds Application -----Mr. Kent Douglas.....C-4
5. Personnel Recommendation----Ms. Clemetta Hood.....C-5

Director's Report----Mr. Ray Simon

ACTION AGENDA

1. Report on Employee Health Insurance Survey of Arkansas Public School
Districts ----Dr. Bobbie Davis.....A-1
2. Commitment to Principles of Desegregation Settlement Agreement:
Report on the Execution of the Implementation Plan----Dr. Charity Smith
.....A-2
3. Approve for Public Comment: Repeal of Rules and Regulations To
Implement the Appropriation for the Students At-Risk, K-3 Funding----
Mr. Ray Simon.....A-3

4. Initial Discussion on Rescinding the Requirement to Incorporate State
Assessment Scores into the Local Grading System---Dr. Kevin Penix
.....A-4

ARKANSAS STATE BOARD OF EDUCATION
October 11, 1998

WORKING SESSION

Immediately following the regular Board meeting

Discussion:

Teacher Licensure

Teacher Testing Score Recommendations - Attachment I

Pathwise - Attachment II

Proposed Legislation for the 1999 Legislative Session - Attachment III

State Board of Education

Minutes
October 11, 1998

The State Board of Education met on Sunday, October 11, 1998, in the Clarksville High School Library, Clarksville, AR. The meeting was called to order by Betty Pickett, Chair, at 3:10 p.m.

Members present: Betty Pickett, Chair; JoNell Caldwell, Vice-Chair; Carl Baggett; Bill Fisher; Luke Gordy; Robert Hackler; James McLarty; Richard Smith; Lewis Thompson, Jr.; and Anita Yates.

Members absent: Edwin Alderson and Martha Dixon.

Ms. Pickett introduced Don Johnston, Superintendent of the Clarksville School District and expressed appreciation to him for providing the facility for the meeting. Mr. Johnston introduced members of the Clarksville School Board and Clarksville School District staff who were present.

Ms. Pickett indicated that each Board member had a packet of informational materials from the National Board of Professional Teaching Standards. Nancy Schwartz, representing the National Board has contacted the Department and the State Board seeking cooperation in getting Arkansas teachers signed up to participate in the national certification process. Ms. Pickett appointed the following committee to work with Donna Elliott in the Department to review the materials and make recommendations for ways that the State can work with the National Board. (Committee members include Jim McLarty, Luke Gordy and Anita Yates.) This committee and staff should explore the possibility of coordinating efforts with the new licensure system. Pickett noted that the time line for this activity is short. Two deadlines – December 1, 1998 and another in the spring (1999) have been established for entry into National Board activities.

CONSENT AGENDA

Mr. Smith moved the adoption of the Consent Agenda. Mr. Gordy seconded the motion. The motion passed unanimously.

Consent Agenda

- ✓ Minutes (September 14, 1998)
- ✓ Newly Employed, Promotions and Separations
- ✓ Final Approval of Waiver Request: Establishment of a Supplemental Support Program within the School Day, Bismark and Wynne School Districts
- ✓ Review of Loans and Bonds Applications
- ✓ Personnel Recommendations

DIRECTOR'S REPORT

Mr. Simon reported that the Legislative Council had approved the NSCI contract and that the agency would be moving forward with implementation of the training program. He provided the following dates for major activities linked with the training program.

October 19-20 – meeting of the elementary principals and a major presentation by Doug Reeves from NSCI on October 19 and by himself on October 20. Each principal will be given a packet of information and encouraged to engage their classes in a mathematics contest to be known as “Math Matters.” October 29 – training of trainers for building facilitators. Approximately 100 ADE staff, higher education and local district staff will be contacted to work in this capacity. November 9-12 – “kick-off” summit conferences for elementary teachers in the NSCI program. Sessions will run for two days and will be held at the Excelsior Hotel in Little Rock. Board members are requested to attend one of these sessions.

The Department has received a copy of the latest fiscal audit. Copies were previously distributed by the Legislative Audit. Time will be set aside on the November agenda to review items in the audit.

Mr. McLarty moved that the Board allow time for an executive session to deal with personnel matters at the conclusion of the Action Agenda. Ms. Caldwell seconded the motion. The motion passed unanimously.

ACTION AGENDA

Report on Employee Health Insurance Survey of Arkansas Public School Districts

The Chair opened this discussion by informing the Board and those in attendance the only presentation to be heard under this agenda item was information requested by the Board to be presented by the Department staff. Dr. Bobbie Davis was recognized to present a summary of the survey results collected and analyzed since the September meeting.

Dr. Davis provided a packet of information that was an update of the summary included with the Board materials. (Attachment #1) She reported that the latest data are based on an 84% return of the survey by local school districts. Dr. Davis indicated conversations with school administrators revealed a greater concern for the non-certified staff to be able to afford insurance coverage than for the certified staff. John Kunkel explained the various tables in the printed report and the cost for funding each proposal as requested by the Board. Kunkel reminded the Board that there is no line item in the budget or any way of paying insurance to staff except through the equalization aid formula. He reported that it would cost approximately \$18 million if the state were to pay 100% of the increase in health insurance.

Ms. Yates noted that there were a number of districts that raised teacher salaries this year. She asked if there were any data to show the amount of salary increase. Dr. Davis responded that the amounts varied greatly and that there was no attempt to collect the amount of increase on this survey.

Mr. Gordy asked if the survey determined the number of individuals in each district who participated in the insurance program. Mr. Kunkel responded that approximately 65% of eligible employees in the schools elect to participate in the insurance program. Gordy stated that local superintendents believe that there is an equity issue if funds are awarded only to those who participate in the insurance program.

Mr. Fisher reminded the Board that the reason the insurance increase was turned down in June was equity – that issue has not changed. Fisher stated that district administrators were given an allotment last spring, budgets were made and schools are operating based on that projection. He indicated that budgets would have to be revised if this expenditure requirement were to be increased at this late date. He also stated it was his belief that insurance premiums were a local district issue, not an issue for the State Board.

Mr. McLarty thanked the staff for their work to collect and analyze the data requested. He distributed two additional pieces of information from the Arkansas Association of School Administrators showing the decrease in the percentage of insurance premiums being paid by the districts. McLarty's data showed districts paid 76% of staff insurance premiums. Under the increased premiums, there is no increase in funding from the state to off set some of those costs. McLarty noted that currently there is approximately \$20 million in fund balances not obligated. McLarty referred to different tables in the handout that projected increasing insurance matching payments from the current \$114. He pointed out \$8.8 million would be required to raise the amount of insurance matching costs to approximate the 76% co-pay from last year. He noted that state employees are getting help from the Governor's program, but nothing is being done to support teachers. McLarty indicated the equity issue was of concern to him also, but that has always been an issue. Currently schools pay \$114 of insurance matching for staff who elect to participate in the insurance program. He indicated that a portion of the fund balance should be used to supplement increases in insurance matching for one year until the General Assembly can deal with the issue.

Mr. Hackler stated that paying additional insurance matching could be a morale factor in the schools. There are a large number of staff who do not participate in the insurance program and thus they would not benefit from these increased funds. He believes that if the Board provides funding for matching, it should be distributed equitably among all staff, not just to those who elect the insurance program. He advocated keeping the decision that was reached in June.

Mr. Smith stated that he supports helping teachers in any way the Board can. He asked the Board to do what was right and support the proposed increase in matching to off set the increase in insurance premiums.

Mr. Fisher stated the Board will still have a large number of districts experiencing a loss of students. Those districts do not have funds to pay all these costs when the funds are distributed through the formula.

Mr. Gordy noted this is a local issue. He stated that he preferred to see \$7.5 million distributed through the equalization formula and let districts decide how to use the money.

Mr. McLarty cited examples of funding in which the Board or policy has been set to establish funding expectations on districts – one example is the minimum salary schedule. He affirmed that the Board is bound by the formula to distribute funds, thus some districts get less than they need and others get more.

Mr. McLarty moved that the Board increase the minimum contribution to health insurance matching from \$114 to \$135 per month through June 30, 1999, and fund the increase by distributing approximately \$7.4 million from the fund balances through the equalization formula. Mr. Smith seconded the motion. The motion failed by a 2 to 7 vote. (McLarty and Smith voted yes)

Mr. Gordy moved that \$7.4 million be distributed through the equalization formula to districts with no restriction on its use by districts. Mr. Fisher requested that Mr. Simon be given an opportunity to make a recommendation as to an amount and possible use of additional funds that might be awarded this fiscal year.

Mr. Simon indicated he would like to visit with the finance staff before making a recommendation. McLarty requested that a recommendation be made as soon as possible.

Mr. Simon is to bring a recommendation to the November Board meeting concerning the possible distribution of a portion of the fund balances.

No further action was taken on this item.

Commitment to Principles of Desegregation Settlement Agreement: Report on the Execution of the Implementation Plan

Dr. Charity Smith was recognized to make the report. Dr. Smith summarized two meetings, September 17 and October 7, devoted to structuring the monitoring process and developing consensus on four organizers for monitoring: academic achievement disparity, staff development technical assistance, disciplinary disparity, and recruitment of minority teachers. She indicated that all three districts experienced difficulty in recruiting teachers, especially minority teachers. There is concern among the parties of the need to structure the February 1999 report. The parties are considering requesting an extension for this report. In response to a question concerning validation of testing to support reducing the disparity, Dr. Smith indicated no final decision has been made, but that issue is still under study.

No action was taken.

Approve for Public Comment: Repeal of Rules and Regulations to Implement the Appropriation for the Students At-Risk, K-3 Funding

Mr. Simon was recognized to present this item. He indicated that the Agency intent in making this request is to redirect \$1.3 million from summer school training to Smart Start, thus making the training available to more teachers. Mr. McLarty asked how many teachers have received the original summer school training and how many might need training to meet the needs of summer school. Dr. Penix indicated that teachers from every district had been trained and noted that there are several avenues through which teachers can receive training for summer school. He noted that requests for training were down suggesting that the greatest needs had been met. He also indicated that many districts now have the capability of training their own staffs as do cooperatives.

Mr. Gordy moved approval of the request for the purpose of public comment. Mr. Hackler seconded the motion. Dr. Penix affirmed that no district would go without summer school training for teachers. The motion passed unanimously.

Initial Discussion on Rescinding the Requirement to Incorporate State Assessment Scores into the Local Grading System

Dr. Penix was recognized to make this presentation. Dr. Penix indicated that in the assessment rules and regulations, districts are required to report to ADE by October 1, 1998, how they will incorporate the results of the state assessment system into the local grading system. This requirement is to take effect by the year 2000. Staff is concerned about the discrepancies and inequities that may exist across schools and districts. Ms. Picket asked if the Board removed this date, what would be put in its place. Dr. Penix suggested leaving the year open. Mr. Gordy asked if the Department planned to come back with some alternative to be uniform across the state. Dr. Penix responded yes.

Mr. McLarty questioned if any districts had responded. Penix responded yes. Mr. McLarty asked how a decision could be made since staff has not had the chance to review the plans. Penix noted that so far the plans are very different thus making the system inequitable. Ms Yates stated that we need to have a single system that is uniform and equitable.

Mr. McLarty suggested that the Board should get the plans in, look at the plans, and then make recommendations.

Mr. Simon noted that many are seeing this as just another report. He questioned whether the state should be dictating the local grading system. His belief is that the school should be accountable. He stated the Department needs meaningful input, not just something else for schools to do.

Mr. Gordy suggested that before the Board can make an informed decision, The Board needs some information as to how this would be changed. He suggested tabling this issue until the November meeting.

Mr. Fisher moved to change the date for response in the Rules and Regulations from October 1, 1998 to October 1, 1999. Mr. Gordy seconded the motion. The motion passed unanimously.

Other Business

Mr. Fisher requested that a review of the Department audit be put on the November Board agenda.

Executive Session

Mr. McLarty moved the Board go into executive session to consider personnel matters. Mr. Gordy seconded the motion. The motion passed unanimously.

Mr. Fisher moved the Board return to regular session. Mr. McLarty seconded the motion. The Motion passed unanimously.

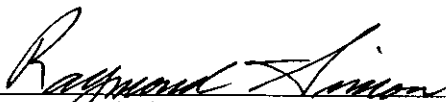
Ms. Pickett announced that no decisions were made and no votes were taken during the executive session. She indicated that there would be recommendations from the director at the November Board meeting.

Adjournment

Mr. McLarty moved adjournment. Mr. Thompson seconded the motion. The motion passed unanimously.

The meeting adjourned at 5:30 p.m.

Minutes recorded by Dr. Charles D. Watson.



Raymond Simon, Director



Betty Pickett, Chair