

Minutes
State Board of Education
Monday January 28, 2008

The Arizona State Board of Education held its regular meeting at the Arizona Department of Education, 2005 N. Central Ave., Suite 100-101, Phoenix, Arizona. The meeting was called to order at 9:03AM.

Members Present

Dr. Vicki Balentine
Superintendent Tom Horne
Mr. Jesse Ary
Ms. Joanne Kramer
Mr. Larry Lucero
Ms. Anita Mendoza
Mr. Jaime Molera
Mr. Jacob Moore
Ms. Cecilia Owen

Members Absent

Dr. Karen Nicodemus
Dr. John Haeger

1. PRESENTATION OF CANDIDATES AND ELECTION OF STATE BOARD OF EDUCATION OFFICERS FOR 2008

Dr. Balentine welcomed Mr. Jaime Molera to the State Board. Mr. Molera said that he did not join the Board with any vendetta and gave his respects to the Board members.

Mr. Yanez asked the Board to fill out ballots and explained the rules governing the election of State Board officers found in Board Rule, R7-2-101. The Board elected Dr. Vicki Balentine as President and Mr. Jacob Moore as Vice President. Dr. Balentine thanked the Board for the nomination.

2. BUSINESS REPORTS

A. President's Report

Dr. Nicodemus is absent, there was no report.

B. Superintendent's Report

Superintendent Horne honored Ms. Phyllis Schwartz, Associate Superintendent, School Effectiveness Division, Arizona Department of Education, stating that she is retiring. Ms. Kathryn Hrabluck, will replace Ms. Schwartz. Mr. Horne presented Ms. Schwartz with a certificate of appreciation.

Superintendent Horne recognized the following units at the Department of Education:

- Innovative and Exemplary Programs
 - Received the Jobs for America's Graduates National Education Leadership Award
 - The Unit was instrumental in implementing the Arizona Board of Regent's Tuition Waiver
- Ms. Lynn Tuttle, Director of Arts Education, has been named to the National Arts Education Counsel of Americans for the Arts. She was also instrumental in Arizona receiving a \$50,000 two-year Dana Foundation Grant for implanting arts in rural Arizona.
- Accountability Division
 - Office of English Language Acquisition Services
 - Provided round one part A and part B training to over 1,000 individuals
 - Provided round two to 50 individuals
- Education Resources

- Exceptional Student Services Unit put on a combined conference on Responses to Intervention and Positive Behavior Intervention Supports where 550 individuals attended over a period of two days
- Standards and Assessment
 - Academic and Instruction Support Unit sponsored Dr. Anita Archer's Best Practice Academy on Struggling Adolescent Readers which had 200 participants
- 2. Other Items as Necessary

C. Board Member Reports

Mr. Ary congratulated Dr. Balentine. He recognized Dr. Anna Battle, Principal, Desert Vista High School, Tempe Union High District. Dr. Battle's school was recognized in the top 10% out of 18,000 high schools by US News and World Report magazine. Dr. Battle thanked the Board for the recognition and also recognized her staff.

Mr. Lucero stated that he attended the WestEd meeting, on January 7th and 8th. Former Board President Ms. JoAnne Hilde was recognized for her participation on the Board of Directors. He reminded the Board that WestEd will be meeting in Arizona during the month of October and stated that he would like to see the Board members attend and participate. He also reminded the Board that WestEd.org is available for their viewing.

Mr. Moore stated that he attended a conference on the Arizona Literacy, Teacher Educators at the University of Arizona. The focus of the conference was on the process to influence policy. The conference gave Mr. Moore information on the issues surrounding literacy. He thanked the Board for giving him the opportunity to serve as Vice President.

D. Director's Report

Mr. Yanez present updates on the following districts currently in receivership

1. Colorado City Unified School District Quarterly Report
 - Placed in receivership December 7, 2005
 - The outstanding debt to the school trust is paid in full
 - The district owes the state \$229,000 due to over expenditures that took place before the receivership and they are on schedule to pay those back
 - The Board cannot terminate receivership until the district is in USFR compliance
2. Union Elementary School District Quarterly Report
 - Placed into receivership June 25, 2007
 - The Intergovernmental Agreement with Tolleson School District has been terminated
 - To date the total outside debt stands at \$1.4 million
 - The over expenditure debt is still at \$2.5 million
 - Recovery without legislative relief will be extremely difficult
 - The legislature is discussing a three-year grace period to pay the over expenditures, with five years to pay after that
 - The District is currently out of compliance with USFR
3. Saddle Mountain Unified School District Quarterly Report
 - Placed into receivership June 25, 2007
 - The Intergovernmental Agreement with Palo Verde School District has been terminated

- A recall vote has taken place and three school board members were replaced. The three new members will be receiving training
- Recovery without legislative relief will be extremely difficult
- The legislature is discussing a three year grace period to pay the over expenditures with six years to pay after that

4. Other Items as Necessary

Mr. Yanez stated that Mr. Molera has taken Ms. Martha Harmon's place. Ms. Harmon stepped down because of an out-of-state move. Ms. Kramer's term has expired and it is not known as of yet who her replacement will be. She will serve until a replacement is found.

Dr. Balentine stated that she has discussed with Mr. Yanez the possibility of reviewing contracts for receivers to insure a penalty component, removing any incentive for a receiver to continue in its role, in cases of USFR non-compliance.

3. CONSENT AGENDA

- A. Consideration to Approve State Board Minutes
 - 1. October 10, 2007
 - 2. December 10, 2007
- B. Consideration to Approve Contract Abstracts
 - 1. Title I – Even Start Reallocation Funds for FY 2008
 - 2. Title I – State Literacy Reallocation Funds for FY 2008
 - 3. Mathematics and Science Partnership Subgrant Awards
 - 4. Intel® Teach Affiliate Program 2008 Grant
 - 5. Arizona Adult Education Leadership Excellence Academies
 - 6. Arizona Adult Education Allied Incentive Grant
 - 7. GED Testing Services for AZ Department of Corrections
- C. Consideration to Accept the 2007 Longview Grant
- D. Consideration to Approve Structured English Immersion (SEI) Training for the Provisional and Full Endorsements
- E. Consideration to Approve Request to Budget and Accumulate in the Unrestricted Capital Section for Kayenta Unified School District for FY 2007-08
- F. Consideration to Approve 2008 State Aid and Budget Capacity Due to the Capital Transportation Adjustment for Small School Districts Pursuant to A.R.S. § 15-963
- G. Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Approve the Applications for Certification for the Following Individuals:
 - 1. William Abate, Case # C-2007-049R
 - 2. Bobby Gibson, Case # C-2007-050R
- H. Consideration to Appoint Judy Munger to the Career Ladder Advisory Committee

Motion by Mr. Moore and seconded by Mr. Lucero to approve the Consent Agenda with the exception of Item A. – *Motion Passes*

Item A was removed from the agenda.

4. CALL TO PUBLIC

Ms. Dolores Martinez, Student Privacy Coalition, stated her concerns with the schools' lack of compliance to the No Child Left Behind Act when it comes to students rights to privacy. Her group has been working for a year to get the Arizona Department of Education to comply with the law. She requests that the State Board of Education put this on an agenda for further discussion.

Ms. Rosella Martinez, Student Privacy Coalition, stated that in 2006 she received mail, phone calls and visits from military recruiters. She did not release her information nor did she give her consent to the

school to release her information. After much research, she found that many school and school employees were not aware of an opt-out policy. Now schools are giving out the opt-out forms to students. The opt-out forms prevent the school from releasing student information to military recruiters. The schools that she has spoken with have stated that they would like further tools and instructions to comply. She requested that the State Board of Education hold a study session to come up with a way for all schools to uniformly comply with the law.

Ms. Sheila Brian, an activist with Women and Black and the local End the War Coalition, stated that this organization is against war and violence and is working for peace. Because of their goals with regard to the current war in Iraq, they are interested in protecting the privacy rights of students. She stated that she has known families that have dealt with military recruiters calling and coming to their homes uninvited.

Ms. Phyllis Schwartz thanked Superintendent Horne and the State Board for selecting her to create a School Effectiveness Division at the Arizona Department of Education. She noted that it has enriched her life and also thanked Dr. Tacy Ashby, former Associate Superintendent and Ms. Margaret Garcia Dugan, current Associate Superintendent for Public Instruction, for their support.

Mr. Robert Hill addressed the letter from Superintendent Tom Horne regarding Roosevelt School District. Mr. Hill stated that there were blatant errors in the letter starting with the average school spending. He noted that Roosevelt School District is failing and that the State has had control of it for two years. Mr. Hill continued that the letter states the incompetence of the district's administrators and there is no place that shows what credentials the administrators hold. He asked that information regarding Roosevelt School District be based on fact and not innuendos before it is given out.

Superintendent Horne noted that the report took into account the state and federal funds that are given to the school district, stating that it was divided by the amount of students and that is how they came up with the numbers.

5. GENERAL SESSION

A. Presentation, Discussion and Consideration to Approve the Receiver's Financial Improvement Plan for the Peach Springs Unified School District

Ms. Liz Monty and Mr. John White presented information from their Financial Improvement Plan, included in the materials packet.

Mr. Charles Fawn, Chairman, said he is in support of HB2469. He noted that if Peach Springs Unified School District becomes a transportation only district, Kingman would be the only district for high school students and Kingman is 50 miles away. He added that Seligman District is an issue, which is 36 miles away. The attendance issues are because it's in rural Arizona and a remediation program is needed for the students and the adults. He added that the tribal council will support the bill and is supportive of helping Peach Springs Unified School District.

The following points were made during the Board discussion:

- If Peach Springs becomes a transportation district the financial impact is unknown at this time
- One issue still in effect is the sponsorship of charter schools. One charter school claims that Peach Springs Unified School District owes them \$400,000. This money was not detailed in the report.
- The lack of administrators in the school district has impacted the performance of the schools. It also affects the behavioral issues in the schools. The problems will continue until the staff levels can be increased.
- Parental support of the district is highly needed.

- There are no highly qualified teachers in the high school. The ADE is working with Peach Springs on this issue.
- The ASSIST team from ADE has visited the district.
- Recommendations have been given from the Solutions Teams.
- It is hoped that legislation will go through as an emergency package, which will make it effective this year
- \$1.1M is expected to be received as federal impact aide
- The bankruptcy option has not been explored
- Additional bonding is being explored
- Raising taxes with the County Supervisors is no longer available for this year
- Because of the behavior problems at the school, some children were withdrawn and taken to other schools
- There is a huge problem with absenteeism
- They would like to see the elementary school remain open
- Further decisions cannot be made until legislation is complete, and they would like to see the SBE support the bill to pass as written
- The tax levy was only for Peach Springs
- The talk of converting to a charter school is a companion option, not a debt solver
- The budget will run out by April
- Any programs that cost money are not available
- If it became a charter school additional impact aide will become available
- More information will come to the SBE once legislation has been considered

Motion by Ms. Mendoza and seconded by Ms. Owen to approve the receiver's financial improvement plan for the Peach Springs Unified School District and grant the receivers the powers as delineated in §A.R.S. 15-103 – *Motion Passes*

B. Presentation, Discussion and Consideration to Approve Reconstitution of the Certification Advisory Committee

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Academic Achievement, Arizona Department of Education, stated that the Certification Advisory Committee is requesting to drop the committee to 13 members and re-appoint one member. They are also requesting SBE guidance when it comes to timeframes on rule packages.

Motion by Ms. Mendoza and seconded by Mr. Moore to approve the reconstitution of the Certification Advisory Committee. – *Motion Passes*

Discussion moved to item 5D.

C. Presentation, Discussion and Consideration to Initiate Rule Making Procedures for A.A.C. R7-2-619, Relating to Teacher Certification Reciprocity

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Academic Achievement, Arizona Department of Education, stated that HB2714 requires that similar exams from other states be accepted, that the rule presented aligns with this statute and that it has been approved by the Certification Advisory Committee.

Motion by Mr. Ary and seconded by Ms. Owen to initiate rule making procedures for A.A.C. R7-2-619, relating to teacher certification reciprocity. – *Motion Passes*

The Board adjourned for lunch at 11:30AM and reconvened at 12:15PM. Discussion moved to Item 5E.

D. Presentation, Discussion, and Consideration to Initiate Rule Making Procedures for A.A.C. R7-2-612 (K), Relating to Foreign Teacher Teaching Certificates

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Academic Achievement, Arizona Department of Education, stated that currently the Certification Unit issues Emergency certification for foreign credentials and that the Certification Advisory Committee would like to see a Provisional credential for those holding foreign credentials.

Motion by Mr. Moore and seconded by Mr. Lucero to initiate rule making procedures for A.A.C. R7-2-612(K) relating to foreign teacher teaching certificates. – *Motion Passes*

Discussion moved to Item 5C.

E. Presentation and Discussion Regarding Structured English Immersion Instructional Model. Discussion May Include, But is Not Limited to, Instructional Methodologies, Teacher Training and School Funding Procedures Process that the task force went through.

Mr. John Stollar, Associate Superintendent Accountability, Arizona Department of Education, presented information that is available in the materials package.

The following points were made during discussion:

- Students who are both Special Ed. And ELL. Special Ed. determines where they are trumped.
- Due to the nuances of certification and the model, certain certifications will not be qualified to teach elementary ELD. Discussions regarding this issue will continue.
- The frustration of taking more training is understood. The change is substantive in the field. The new skills the teachers will get from SEI will be very valuable.
- Mr. Ary stated his concerns that the training is not clear to teachers in the field.
- The tribal schools have the same requirements for those who speak English as a second language.
- A parent can waive the EDL classes for their children, as with any class.

Mr. Mark Francis, Arizona Charter School Association, commended the Department of Education on the work. He has a number of concerns regarding the program. Charters are so small that they are landlocked. They find the place where kids can receive the services or a school with less than 50 students, it's not easy to find extra room. The Charters are working positively toward this, and are trying to work toward a positive solution.

Mr. Stollar stated that he is sensitive to this issue and will work on it.

Mr. Yanez stated that the School Facilities Board may not be able to fund any special programs, with the exception of Science. They will not be able to fund any new programs based on the task force model.

F. Presentation and Discussion Regarding Statewide AIMS Results

Dr. Robert Franciosi, Deputy Associate Superintendent, Research and Evaluation Section, Arizona Department of Education, gave a presentation that is available for view in the materials packet.

Discussion moved to Item 5I

G. Presentation and Discussion Regarding the 2007 NAEP Reading and Mathematics Results

Ms. Carrie L. Giovannone, State National Assessment of Educational Progress (NAEP) Coordinator, gave a presentation that is available in the materials packet.

H. Presentation, Discussion and Consideration to Identify Legislative Priorities for the 2008 Legislative Session

Mr. Yanez outlined the 2008 legislative priorities as outlined in the available materials. Mr. Molera and Superintendent Horne have abstained from the vote. The following points were made during the discussion:

- There is a need to give more of the responsibilities of the receiverships to the Department of Education, because the State Board can no longer handle the increasing responsibilities.

Motion by Mr. Ary, seconded by Mr. Moore, to approved the State Board of Education priorities for the 2008 legislative session. – *Motion Passes*

Discussion moved to item 5J.

I. Presentation, Discussion and Consideration to Determine Non-Compliance with the USFR for Failing to Correct Deficiencies and to Withhold State Funds Pursuant to A.R.S. §15-272(B) for the Following Districts:

1. Roosevelt Elementary School District

Mr. Chad Sampson, Assistant Attorney General, Attorney General's Office, outlined the reasons surrounding the non-compliance of USFR as listed in the materials packet.

Mr. Robert Haws, lawyer for Roosevelt Elementary School District gave a presentation which is available in the materials packet.

The following points were made during the discussion:

- There are approximately 89% of the students on reduced or free lunch. The kids who are charged are the students that don't meet the guidelines for free or reduced lunch.
- The school year outlined was 2004-2005. The status report is from 2007, which is when the Auditor General completed the report.
- The first problem was reported in the year of 2004-2005. The first 90 days letter was received by the district in October 2006.
- There has been a significant amount of training. New policies have been implemented. There are new regulations that have been put in place. Directives have been passed down to the employees.
- After the 90 day letter has been given to the district, the district is given 90 days to fix the issues.
- The outside consulting company was hired in late August 2007. Inventory was started in December.
- The audit was for 04-05, the examination was in October 2006. Their actions were not sufficient for the Auditor Generals office. In May, 2006 they were reviewed. They received a report from the review in October, 2007. They then hired the consultants.
- All administrative employees now report to one supervisor. They combined the staff to one supervisor because it was confusing for attendance reporting. It is now all consistent.
- Many of the deficiencies have been taken care of. They are in process of fixing the rest of the deficiencies with the consulting company.
- They are acting on the best interest of the school districts by taking the full measures to make sure they are in compliance with the USFR.
- There have been changes in the Roosevelt School Board since 2005.
- The district is just about in compliance, according to their opinion.

- An accountant has been hired to take care of the fixed assets issue. They are waiting for the consulting company to get back with them to know how out of compliance they actually are.
- They feel they are compliant with the Auditor General and are assuring future compliance.
- They feel that June 30th is a good timeframe to come into complete compliance and for the Board to revisit this issue.

Motion by Ms. Mendoza, seconded by Ms. Owen, that the Roosevelt Elementary School District is out of compliance with the USFR based on the quarterly Auditor General report and withhold 3% of funds from the district until the Auditor General reports that the district is in compliance. – *Motion Passes*

2. Colorado City Unified School District

Mr. Chad Sampson, Assistant Attorney General, Attorney General’s Office, outlined the reasons surrounding the non-compliance of USFR as listed in the materials packet. The following points were made during discussion.

- Ms. Carol Timpson, Superintendent, Colorado City Unified School District, was hired after the school was put into receivership. When she came in, there was a major staff overturn. The new people had to work in multiple positions. She mentioned all of the positive actions that have taken place with the school district.
- The receiver has been selected by the State Board, and it is being asked that 10% be withheld from the receiver for being out of USFR compliance. The statute requires that the Board review and take the appropriate action.
- Action has been taken to get the school into compliance; therefore it doesn’t make sense to some of the Board members to withhold funding from the receiver.
- There is no incentive for the receiver to quickly resolve the problem.

Motion by Mr. Horne, seconded by Ms. Owen, that the Colorado City Unified School District, is out of compliance with the USFR based on the quarterly Auditor General report and not withhold funds. – *Motion Passes*

Discussion move to Item 5G

- J. Update Regarding *Gilbert Unified School District, No. 41 v. State of Arizona, et. al.* The Board may Convene in Executive Session, Pursuant to A.R.S. §38-431.03 A(3) and (4), to Receive Legal Advice and/or Consult with and Instruct Counsel on Board’s Position on Matters Relating to *Gilbert Unified School District, No. 41 v. The State of Arizona, et. al.*. The Board may, in General Session, Take Action to Authorize Board Counsel to Act on the Board’s

Mr. Molera recused himself from this item. Motion Mr. Moore, seconded by Ms. Mendoza to enter into an executive session. *Motion Passes*, the Board entered into executive session at 4:05 pm

The Board reconvened into general session at 4:15pm and then adjourned as the State Board at 4:15pm.