

Minutes
State Board of Education
Monday, March 23, 2009

The Arizona State Board of Education held a special meeting at the Arizona Department of Education, 1535 West Jefferson, Room 417, Phoenix, Arizona. The meeting was called to order at 9:03 AM.

Members Present:

Mr. Jacob Moore, President
Dr. Vicki Balentine, Vice President
Superintendent Tom Horne
Ms. Bonnie Kasey
Mr. Jesse Ary
Mr. Jaime Molera
Dr. Karen Nicodemus (Telephonically)
Ms. Cecilia Owen (Telephonically)

Members Absent:

Dr. John Haeger
Mr. Larry Lucero
Ms. Anita Mendoza

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

ROLL CALL

1. BUSINESS REPORTS

Mr. Moore informed the members and audience there would be changes to the order of the agenda items and said General Session. The items would be addressed in the following order: C, D, E, A, and B.

A. President's Report

Mr. Moore stated he was invited to be a keynote speaker at the American Indian Education Association Parent's Conference. Mr. Moore also said he would be attending the College and Career Readiness Retreat held March 25 – 27.

B. Superintendent's Report

Supt. Horne stated that the Educational Services and Resources Division held the Arizona Annual DECA Career Development Conference and over 1,700 students attended this conference. The Arizona Future Business Leaders of America and the Pursuit Passion hosted the first Pursuit the Passion Conference February 27th this conference was very successful.

Supt. Horne recognized the ASC Model Program 2008 grant recipients from Washington Elementary School in Mesa Arizona, Christa Peterson and from Cactus Shadows High School in Cave Creek Arizona, Melissa Beverly, Julie Venemberg, Lori Dunn, Pam Menton and Mike Serreno. This is the highest acknowledgement award in school

counseling programs at a national level and is from the American School Counselors Association.

Supt. Horne introduced Ms. Kathleen Barton manager of US Education in Arizona for the Intel Corporation. Ms. Barton provided information on the work Intel does with students nationally and internationally and presented the certificates to the two students winners of the completion in Arizona.

C. Board Member Reports

Mr. Molera stated that as a State Board representative on the Arizona Science Technology Engineering and Mathematics Board he wanted to inform the members that the Stem Center is in the process of reviewing applications from teachers who are interested in math and science trainings and Mr. Molera said that once the selections are made he will provide the Board with an update.

Mr. Molera also informed the members that he participated as one of the judges for the FLINN Foundation Scholars Program. This is a very competitive process and lucrative scholarship program that allows students to continue with post-secondary education at most of the higher education institutions in the state. Mr. Molera stated he was impressed with the number and quality of students that applied and about 90% of the applicants were students from public schools.

D. Director's Report

1. Update regarding the AIMS Task Force
2. Other items as necessary

Mr. Yanez stated that at the last AIMS Task Force meeting the members reviewed the initial draft that they will be submitting to the State Board, Legislature and Governor. The Task Force also discussed the various definitions of college and career readiness and Dr. Nicodemus made a presentation on behalf of the Leadership Team. The task force members will continue the discussion on Wednesday, March 25th. Chairman, Dr. Zaharis has requested that Mark Tucker from the Tough Choices, Tough Times Initiative make a presentation and discuss international benchmarks and how these may be incorporated into an assessment system.

Mr. Yanez stated that staff has requested that item 4F regarding the AIMS assessment and possible future cost be removed from the agenda until further information is collected for the Board to have a complete discussion on the matter.

2. CONSENT AGENDA

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|----|---|------------|
| A. | Consideration to approve minutes | Mr. Yanez |
| | <ol style="list-style-type: none">1. February 23, 20092. February 23, 2009 – Executive Session | |
| B. | Consideration to Approve Contract Abstracts | Ms. Palmer |
| | <ol style="list-style-type: none">1. 2009 Migrant Education Program-National Conference | |

Presenters

2. 2009 Migrant Education Program-Summer School Program Allocations

- | | | |
|----|---|-----------------------------|
| C. | Consideration to appoint the following individuals to the WestEd board of directors:
1. Dr. Beverly Hurley
2. Dr. Wade McLean | Mr. Yanez |
| D. | Consideration to accept grant award from the Centers for Disease Control and Prevention relating to coordinated school health programs administered by the ADE's Office of School Safety and Prevention | Ms. Ajamie
Mr. Trujillo |
| E. | Consideration to approve 2009 State Aid and Budget capacity due to the capital transportation adjustment for small school districts pursuant to A.R.S. § 15-963 | Mr. Friesen
Ms. Lawrence |
| F. | Consideration to approve request from the Chinle Unified School District to budget and accumulate in the unrestricted capital section for fiscal year 2008-2009 | Mr. Friesen |
| G. | Consideration to revoke the teaching credentials held by following individuals, pursuant to A.R.S. § 15-550:
1. Lawrence A. Wolfe
2. Bradley A. Platt
3. Tawni L. Wimberley | Mr. Easaw |
| H. | Consideration to accept the recommendations of the Professional Practices Advisory Committee and grant the teacher certification application for Candace A. Hoff | Mr. Easaw |
| I. | Consideration to approve additional monies for teacher compensation for fiscal year 2009-2010, pursuant to A.R.S. §§ 15-952 and 15-537 | Ms. Amator |
| J. | Consideration to approve trainers for the Structured English Immersion Provisional and Full Endorsements | Mr. Stollar |

Dr. Balentine moved to approve the consent agenda items

Motion second by Ms. Kasey

Ms. Owen did not vote

Motion passes

3. CALL TO THE PUBLIC

4. GENERAL SESSION

A. Presentation and discussion regarding AZ LEADS³

Mr. Stollar stated AZ LEADS was intended by the ADE to foster leadership throughout the state and the program was in a large part funded by the Wallace Foundation initially. Two years ago when grant ended ADE has received two additional supplemental allocations and the goal is to make this a self sustaining program and Mr. Stollar stated that Dr. Rene Diaz has conducted the work to reach that goal and that the Board would be very pleased with the information Dr. Diaz would be presenting.

Dr. Diaz stated that in 2002 Supt. Horne was approached by a number of educators of potential retirees such as school superintendents and principals and what could be done to bring more leaders to fill these vacancies. Supt. Horne accepted the challenge and created AZ LEADS. Dr. Diaz said that through AZ LEADS the ADE applied for the Wallace Foundation Grant and the ADE was awarded a 3 year grant.

Dr. Diaz stated that AZ LEADS has focused on three major areas of support:

- Standards
- Conditions
- Training and Support

Dr. Diaz provided a detailed description of each area and stated that the program also provides coaches for principals and superintendents. A new structure was created this year, it is the AZ LEADS Leaders for Learning Cooperative and this is through the Helios Foundation. This new structure includes an Executive Leadership Council and Dr. Diaz listed the members of the council. The new committee holds quarterly meetings to discuss issues framed on the AZ LEADS three major areas of support.

Dr. Diaz provided an overview of the programs vision statement, mission statement, and goals. Dr. Diaz made emphasis on Goal #3 which is to partner with members of the Leaders for Learning/AZ LEADS collaborative in developing and/or extending leadership training across Arizona and across career paths.

Dr. Diaz stated that the overall objective is to support administrators out in the field and recruit others while focusing on the importance of and relationship of leadership and student achievement.

Mr. Molera asked if Dr. Diaz could talk about understanding and utilizing student data. Dr. Diaz stated that student data is one of the areas that are covered in depth in all of the trainings with principals, assistant principals, and superintendents.

Mr. Molera also asked if this tool could be used with schools or districts that are not meeting the expectations or failing. Supt. Horne stated that one approach is through the Solutions Teams and these teams make AZ LEADS available. Mr. Molera asked if this could be a requirement for all schools that are labeled underperforming. Supt. Horne said he would convey that suggestion to Ms. Kathy Hrabluk, Associate Superintendent of the School Effectiveness Division.

Mr. Ary stated his concern was that school districts such as Roosevelt have expressed they could benefit of professional development such as AZ LEADS. Dr. Diaz stated that one of the AZ LEADS coaches has been working with the Superintendent of Roosevelt District and that ADE has also provided extensive support for this particular district.

Mr. Moore asked about the partnership with the Helios Foundation and if the program would have an impact due to budgets cuts. Dr. Diaz stated that this concern has been discussed with ASU Main it was indicated there is a possibility for adjustments but all of the information will not be available until this summer.

Ms. Kasey stated that as a teacher it is rewarding to know that administrators can participate in professional development and asked if districts that are not currently participating in AZ LEADS but would like to do so if that would be possible. Dr. Diaz said it would be possible and that through the HELIOS Foundation Grant a recruiter will be hired to go out to all of the school districts in the state and will be providing information on the professional development that is available.

A copy of the complete power point presentation can be provided at the State Board office.

Mr. Moore continued with agenda item D

B. Presentation and discussion regarding the American Recovery and Reinvestment Act (Federal Stimulus Plan)

Mr. Doug Nick, Associate Superintendent for Federal Relations provided the members with a chart that further explained the American Recovery and Reinvestment Act and also provided details of how the funds would affect education. The handout provided to the members has specific information on the Title XIV State Fiscal Stabilization Fund and the Title VIII Increases to formula grants.

Mr. Nick presented information on the estimated dollar amounts for each area and said there are some competitive dollars.

Mr. Nick stated that the members have been provided a list of the matrix.

Dr. Balentine asked if the Race to the Top program could include the Tough Choices Tough Times programs and Mr. Nick said that yes this was a program would be considered.

Ms. Kasey asked if school districts will be notified of the funds they will receive on May 1st. Mr. Nick said they date is based on the lifetime that is required in order to have the accounts post and there after the requests from the districts. Mr. Nick also stated that the ADE Accounting office believes May 1st will be the date districts will have access to the funds and part of this would depend on the district and the ADM information they need to submit.

Mr. Ary asked if the competitive money was something the districts could apply independently and Mr. Nick said yes and districts will be notified that they can do so and what they will need to submit the Federal department will have a different criteria and matrix that LEA's will have to follow.

Mr. Moore asked if the Federal Department was going to provide smaller districts with assistance in submitting requests for additional monies. Mr. Nick said he is not have that information and would be happy to forward Mr. Moore's concerns to the appropriate people.

C. Update regarding legislative affairs. The Board may take action to support, oppose or remain neutral on specific legislative proposals

Ms. Cannata stated that there are 1,099 bills at issue this year and currently the main work is in regards to the fiscal year 2010 budget. Currently the Senate is meeting with small groups to discuss the budget. There is a deadline of March 31st for the release of the budget but due to a significant deadlock over the issue of a tax increase.

Ms. Cannata said that the president of the Senate continues to state that regular bills will not be addressed until budget issues are resolved. The House is moving some bills and they have completed their committee work but are taking very few bills to the floor. Ms. Cannata stated that the Board was provided a tracking chart that reflects the status and a summary of the education bills.

Ms. Cannata informed the members that by way of striker amendments HB2630 and identical SB1186 these bills would delay the date to notify teachers of non-renewals to June 15th. Both bills passed but neither with sufficient votes to retain the emergency clause.

In terms of regular bill activity; HB2075 is the striker amendment discussed last month HB2100 regarding alternative teacher preparation programs and this bill was heard in committee last month and was passed unanimously. The Board had concerns about the language of the bill being mandatory in terms of authorization of the programs and this was a drafting error. Ms. Cannata stated that there is a commitment from the bill proponents to work on an amendment and make it clear on the bill that the Board has discretion.

HB 2100 is the School Electronic Data Bill and this bill also passed out of the House Education Committee and amendment and is waiting for a hearing in rules. The amendment in this bill is clarifying and setting a deadline of July 1, 2011 for a creation of the system of electronic transfers of student transcripts.

HB2240 is the rule making moratorium bill passed the House floor. This bill continues to be the subject of significant work and Ms. Cannata stated that the Governor's office is not satisfied with the language of the bill. There is a commitment from Senator Hoopenthal

to try to work on an amendment to address issues specific to education.

HB2456 is the High Schools Achievement Profile bill and last month the Board and the ADE had concerns about the accountability measures. The bill was then the subject of the same subject striker amendment to address many of the concerns, in particular the bill now reads that the pilot program participants that are selected must determine indicators used in their alternative achievement profile and how they will be incorporated into the profile including measures relating to AIMS and college readiness. There is a stipulation that the programs are calculated under AZ LEARNS and if they become underperforming they are removed from the pilot program. A annual report from the State Board will be required to summarize the results of the pilot program and the impact of the accountability measures and any academic gains made by people as a result of the program.

Mr. Yanez stated that he had shared the Boards concerns with Rep. Krandall and Rep. Lujan and they agreed to work changes that address the Boards concerns such as if the pilot should pass it has to have meaningful accountability measures.

Ms. Cannata stated that on HB2459, Superintendent Certification the Board had significant concern because as originally drafted it would delete the requirement that the State Board have the authority to certify Superintendents. There was an amendment in the House Education Committee that reinstated the Boards power to provide for certification and would require that the superintendent have a valid finger print clearance card.

HB 2463 is the School Districts Accounting Responsibility bill that would remove the large school threshold that exists in statute for school districts that comply with the Board be allowed to conduct their own accounting rather than the county school superintendent. Ms. Cannata provided a brief summary on the conditions for the district would have.

- D. 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), from the following district
1. Fredonia-Moccasin Unified School District
 2. Topock Elementary School District

Mr. Yanez read the faxed letter sent from Fredonia-Moccasin Unified School District. A Copy of the letter can be provided at the Stated Board office.

Mr. Sampson stated there has been no contact with the Superintendent's office.

Ms. Owen stated she is familiar with this district since they are part of the Coconino area and said that this is the fourth superintendent the school district has had in the last 8 years. Ms. Owen also said Supt. Barlett has consulted with the county office and notified them of the changes in place. Ms. Owen stated she believes the district is stable and is heading in a good direction.

Dr. Balentine asked if Mr. Sampson knew why there has been no contact with the Auditor General's office to request a follow-up visit.

Mr. Sampson stated that to his knowledge and per the information he received from the AG's office there has been no contact. Mr. Yanez made reference to Finding #4 on the letter from the district where it states that they will need more time to complete inputting all old assets into the system and the Auditor General's office would not be able to schedule a visit until all initial findings are complete.

Mr. Molera motioned to table this item until further information is received

Mr. Ary second the motion

Motion passes

Supt. Horne and Dr. Nicodemus did not vote.

Mr. Sampson stated that Topock Elementary School District and they have been out of compliance with the USFR as of June 2007 for the following reasons:

- The District need to strengthen controls over expenditures
- The district failed to ensure the accuracy of its student attendance records
- Improve the accuracy of its accounting records and financial reporting
- Need to strengthen its controls over cash receipts and bank accounts
- Failure to establish procedures to document and address conflicts of interest

Mr. Sampson said that this district is a very small district and because of the size of the district receive a limited amount of federal funds and have a bi-annual federal audit.

John Warren Superintendent of Topock Elementary School District stated that since the report from the Auditor General's office new policies and procedures have been approved and are now being implemented. Mr. Warren explained how each one of the findings are being rectified

Dr. Balentine asked if the district employees submit a written notice to the district to inform them that there could be a conflict of interest situation.

Mr. Warren stated that at this point the district does not something in place but if need be they would implement a policy to address this concern.

Mr. Moore stated that one way of avoiding conflict of interest is abiding by full disclosure.

Mr. Warren said that he would like to inform the members that now the district is moving to an annual audit to ensure compliance.

Dr. Balentine asked if the district has asked for a new visit from the AG's office. Mr. Warren stated that he wanted to address the Board members before requesting a new visit from the AG's office.

Mr. Ary asked Mr. Warren to clarify if due to the size and other factors of the district did that mean they are not going to comply with the Auditor General's findings. Mr. Warren stated that absolutely not and the district is making all of the changes to comply. Mr. Warren also said that there are no allegations of conflict of interest found in the AG's report but the district does have a board member who owns the company the district purchases water from and they currently don't have formal conflict of interest statement but would be willing to put this in place to avoid any concerns.

Mr. Molera asked if there could be a better structure for the districts to follow.

Mr. Molera motioned to table this item and review it in 120 days after the Auditor General's office has conducted a new review
Dr. Balentine second the motion
Motion passes

Dr. Balentine asked to encourage the district's administration to resolve the conflict of interests issues in order to avoid future discrepancies in this area.

Mr. Moore asked that Mr. Yanez and Mr. Sampson to provide a procedure districts can follow.

E. Presentation, discussion and consideration to approve proposed modifications to the AZ LEARNS school accountability formula

Dr. Franciosi requested the approval of the proposed changes to the AZ LEARNS formula for 2009. Dr. Franciosi reminded the members that he provided an extensive presentation at the February meeting and for this meeting he has provided a memo with the accumulative data of all of all the changes.

Dr. Balentine moved to adopt the proposed modifications to the AZ LEARNS school accountability formula, as presented.
Ms. Kasey second the motion
Motion passes

Mr. Moore continues with consent agenda item A

F. Presentation and discussion regarding possible future costs associated with the development and administration of statewide student assessments, including the various AIMS tests as well as the norm-referenced assessments. The Board may convene in executive session, pursuant to A.R.S. §38-431.03 A(2),(3) and (4), to review records exempt from public inspection, to receive legal advice and/or to consult with and instruct counsel on the Board's position regarding contracts that are the subject of negotiations. The Board may, in general session, take action to authorize Board counsel to act on the Board's behalf in this matter in accordance

with instructions given in executive session.

5. ADJOURN

Mr. Ary motioned to adjourn
Motion second by Mr. Molera
Motion passes