

**Minutes
State Board of Education
Monday, April 28, 2008**

The Arizona State Board of Education held a regular meeting at the Arizona Department of Education, 1535 West Jefferson, Room 417, Phoenix, Arizona. The meeting was called to order at 9:00 AM.

Members Present:

Dr. Vicki Balentine, President
Mr. Jacob Moore, Vice President
Superintendent Tom Horne
Mr. Jesse Ary
Dr. John Haeger
Mr. Larry Lucero
Ms. Anita Mendoza
Mr. Jaime Molera
Dr. Karen Nicodemus
Ms. Cecilia Owen

Members Absent:

Ms. Joanne Kramer

PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE

ROLL CALL

1. BUSINESS REPORTS

A. President's Report Dr. Balentine

Dr. Balentine welcomed Dr. Nicodemus back and thanked her for her service as president during 2007.

B. Superintendent's Report Mr. Horne

Superintendent Horne stated that the most recent administration of AIMS went smoothly and he acknowledged the work of ADE staff as well as school district test coordinators. Superintendent Horne congratulated his Ms. Cheryl Lebo and Ms. Roberta Alley for their work on the development and implementation of the AIMS DPA.

C. Board Member Reports

Dr. Nicodemus thanked ADE staff for their report to the P20 Council's Educational Alignment Committee. She indicated that they presented to the members an overview of the new ECAP rule as well as the Algebra II pilot test.

Ms. Mendoza stated that she attended the Arizona State Chess Championship in Flagstaff. She stated that it was exciting to see a large number of students participating in the event. Ms. Mendoza also indicated that she recently attended an ECAP planning session and that she was pleased to see that it was well attended and that it brought together a diverse group with a range of planning strategies.

D. Director's Report

Mr. Yanez

1. Receiver's Quarterly Report – Union Elementary School District
2. Receiver's Quarterly Report – Saddle Mountain Unified School

Mr. Yanez provided the Board with a brief summary of the quarterly reports from the receiver's of Union Elementary School District and Saddle Mountain Unified School District. For both districts Mr. Yanez reminded the Board of the circumstances that lead to the receiverships. He also reviewed the overall overexpenditures that both districts accrued during the prior school year.

Mr. Yanez stated that HB2469 has passed the legislature and is awaiting signature by the Governor. If signed the bill would provide tremendous relief to both districts by extending the period of time they have to pay back prior year overexpenditures.

Mr. Yanez indicated that this was only a brief overview of the quarterly reports. Members have received copies of the full reports for both school district.

3. Other Items as Necessary

Mr. Yanez indicated that presently the December meeting is scheduled for December 1st. Mr. Yanez noted that this is the Monday after Thanksgiving weekend. To avoid any conflicts this meeting will be moved to December 8th.

2. CONSENT AGENDA

- A. Consideration to Approve Minutes from the March 24, 2008 Meeting of the State Board of Education
- B. Consideration to Approve Contract Abstract Relating to the Expansion of the USDA Fresh Fruit and Vegetable Program
- C. Consideration to Approve Structured English Immersion Training for the 45 Clock Hour Provisional and Full Endorsements
- D. Consideration to Approve Accept from Ruth O'Wright Trust, Pursuant to A.R.S. § 15-204
- E. Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Grant the Application for Certification for Patti Harrington
- F. Consideration to Approve the Optional Performance Incentive Program and Fiscal Year 2007-2008 Budget for the Following School Districts:
 1. Joseph City Unified School District
 2. Sedona – Oak Creek Joint Unified School District

- G. Consideration to Approve Additional Monies for Teacher Compensation for Fiscal Year 2008-2009, Pursuant to A.R.S. §§ 15-952 and 15-537
- H. Consideration to Accept the Recommendations of the Career Ladder Advisory Committee Regarding Program Approvals for Fiscal Year 2008 – 2009

*Mr. Moore moved to approve the consent agenda, as presented.
Second by Mr. Ary
Motion passes*

3. CALL TO THE PUBLIC

The Board received no requests to speak.

4. GENERAL SESSION

Dr. Balentine stated that the Board would now move on to the General Session. She noted that the order of items would be modified. Specifically, Item L would be considered after Item C.

- A. Program Update from the Arizona Department of Education's Division of Adult Education Services

Member Owen arrived during the presentation of this item at 9:30 a.m.

Ms. Karen Liersch presented the item. She provided a general overview of the ADE's Adult Education Services. She highlighted how adult education services has changed over the year. She noted the content standards, assessment and technology that are now in use.

Ms. Liersch presented a information regarding various aspects of the program using a PowerPoint presentation. The slides from this presentation were provide to the members and are available in the public file. Topics covered included: accountability, English acquisition services for adults, high school completion, post-secondary transition, new legislative requirements – including proposition 300.

- B. Update Regarding Legislative Affairs. The Board May Take Action to Support, Oppose or Remain Neutral on Specific Legislative Proposals Ms. Cannata

Ms. Cannata presented an update regarding education related legislation. Ms. Cannata highlighted the following developments:

HB2008, which would extend AIMS augmentation, has passed the House of Representatives and is now awaiting a vote by the full Senate.

HB2469, which Mr. Yanez addressed in his report, has passed both houses and is awaiting action by the Governor

HB2560 would allow the Board to withhold funds from a school district that is substantially and deliberately out of compliance with any part of title 15. This bill has passed both houses and is awaiting the Governor's signature.

HB2711 would create an “academic receivership” mechanism. This bill continues to move. Ms. Cannata reminded the Board that last month staff was instructed to seek revisions to the bill. She indicated that, in cooperation with Mr. Yanez, the Board was successful in getting some amendments to the bill, including setting a floor on the size of the districts that would qualify for intervention. As amended it would only apply to school districts with six or more schools. Ms. Cannata highlighted additional amendments.

HB2727 would change fingerprinting requirements for adoptive and foster parents, but as originally drafted it would impact all teachers and administrators. Staff has been working with members of the legislature and key stakeholders to minimize any impact to education.

Ms. Cannata provided an overview of recent budget reductions.

Board members continued with a discussion regarding HB2711. Members raised several concerns with the language, including logistics in terms of implementation as well as the impact of the legislation in subsequent years.

Dr. Nicodemus stated that she believes HB2008 could fundamentally change AIMS as we know it. She hopes that at some point the Board might be willing to look at options to structure an assessment structure that could better assess college/work readiness.

C. Presentation and Discussion Regarding Budget Procedures Relating to English Language Learners

Mr. Stollar presented an overview of the budget procedures relating to English Language Learners. Mr. Stollar indicated that after the district budget calculations were made the state offsets, as provided in the law, were applied. This resulted in a total budget request of approximately \$40 million. If all offsets were applied the budget request would have been approximately \$19 million. The ADE provided both options to the legislature. The legislature funded schools at the \$40 million level.

Mr. Stollar continued and provided the Board with an overview of the specifics in terms of budget allocations to school districts and charter schools.

Ms. Mendoza asked whether all schools have been informed whether their budgets have been approved.

Mr. Stollar indicated that they have provided notice to schools for all approved requests.

Dr. Balentine asked how schools will be monitored for compliance in light of facility needs.

Mr. Stollar indicated that ADE will have to look at the districts’ efforts in meeting the intent of the SEI instructional model. He stated that the ADE will be fair in its assessment of school compliance.

Mr. Ary asked whether this matter was now ultimately decided, or if the Superintendent planned on appealing to the U.S. Supreme Court.

Superintendent Horne stated that the 2007 order finds that the law is deficient in two respects: the 2-year funding limit and federal offsets. The Superintendent stated that he is appealing the order, not because of these two issues, but because he has a philosophical disagreement with courts mandating how states’ spend their monies.

Dr. Nicodemus asked that Superintendent Horne reconsider his decision to appeal the court's recent order.

Superintendent Horne reiterated his appeal is based upon philosophical principles, rather than on the two issues decided by the court.

Dr. Balentine stated that the Board would move to item L. See below for summary for minute entry related to this item.

- D. Presentation, Discussion and Consideration to Accept the Recommendation of the Professional Practices Advisory Committee and Revoke the Teaching Credentials Held by Travis Sexton

Motion by Dr. Nicodemus to accept the findings of fact, conclusions of law and recommendation of the Professional Practices Advisory Committee and Revoke the teaching credentials held by Travis Sexton.

Second by Ms. Mendoza.

Motion passes.

- E. Presentation, Discussion and Consideration to Accept the Recommendation of the Professional Practices Advisory Committee and Grant the Applications for Certification for Tiffany Montgomery

Mr. Ary moved to accept the findings of fact, conclusions of law and recommendation of the Professional Practices Advisory Committee and approve Tiffany Montgomery's application for teacher certification.

Second by Ms. Owen.

Motion passes.

- F. Presentation, Discussion and Consideration to Initiate Rulemaking Procedures for the Following Proposed Rules:
 - 1. R7-2-613(E) and (F) – Relating to the Mathematics and Reading Specialist Endorsements

Ms. Knuck presented the proposed changes relating to the Mathematics Endorsement.

Ms. Hrabluk presented the proposed changes relating to the Reading Endorsement.

Dr. Balentine asked whether all teachers, at some level, would be required to have the reading endorsement due to NCLB requirements.

Ms. Hrabluk stated that if a teacher is an interventionist (works with most at risk students) then he/she must have the certificate. If a teacher is working as a reading coach then it is not a requirement.

Dr. Nicodemus asked why the requirements between the math and reading endorsements were not aligned.

Dr. Haeger stated that it appears that the language for the math endorsement is restrictive, in that a

person must have 24 credit hours beyond the initial requirements for certification.

Ms. Knuck confirmed that this was correct.

Dr. Haeger asked why we wouldn't give credit to individuals that have a significant amount of coursework in their prior college careers.

Ms. Knuck indicated that the desire was to bring greater specificity to the requirements and so see that those individuals that receive this endorsement do work beyond what is typically required.

Dr. Balentine suggested that the language be modified to not require that the semester hours be beyond those required for initial certification.

Dr. Nicodemus suggested that this change be applied to the math endorsement as well.

Mr. Morril, chair of the certification advisory committee, stated that the committee spent a great deal of time on the very topics being discussed by the Board. He asked that the Board keep in mind that these endorsements are intended to reflect additional work completed by educators.

Dr. Balentine asked that this item be tabled for consideration of the matters addressed by the Board.

Superintendent Horne stated that he concurred with other member's recommendation relating to when coursework is completed.

Item tabled.

2. R7-2-612(K) – Relating to the PreK-12 Art Certificate

Mr. Yanez stated that the Board previously initiated rulemaking procedures relating to this certificate. He stated that this was before the Board again because staff realized that the AEPA requirement was omitted from the version that was previously presented to the Board.

Mr. Moore moved to initiate rulemaking procedures for proposed rule R7-2-612(K), relating to the PreK-12 Art Certificate.

Mr. Molera seconds.

Motion passes.

G. Presentation, Discussion and Consideration to Close the Rulemaking Record and Adopt Proposed Rule R7-2-614, Relating to Administrative Certificates

Mr. Yanez presented the item. He stated that this item is a proposal to modify the requirements for superintendent, principal and supervisor certificates. Mr. Yanez recounted the history of this rule package, including amendments made at the Board's request.

Mr. Yanez indicated that two public hearings were held: January 29, 2008 and April 18. Mr. Yanez summarized the comments that were received and stated that members should have also received his written summary. The main issue addressed by the public was concern over the three year teaching experience requirement. Mr. Yanez also stated that the rule does not require that a district hire a superintendent and that this is consistent with the relevant statute.

Beth Saur, Arizona School Board Association, reciprocity should be streamlined and the 15 clock hour requirement removed. Ms. Saur indicated that ASBA submitted additional written requirement which should be included in the Board members' materials.

Dr. Haeger expressed concerns regarding the tightening of the requirements at a time when we expect to have a shortage of administrators.

Motion by Superintendent Horne to close the rulemaking record and adopt proposed rule R7-2-614, relating to Administrative Certificates with the amendment that the language mandating the 30 hours (subsection d.4.) be removed.

Second by Dr. Nicodemus.

Motion passes.

H. Presentation, Discussion and Consideration to Approve the Proposal for the Formation of a Western Yavapai County Joint Technological Education District

Mr. Yanez introduced the item and reviewed the statutory role with respect to the formation of Joint Technological Education Districts. Mr. Yanez introduced Yavapai County Schools Superintendent, Tim Carter, to provide further information regarding the specific proposal for the formation of a Western Yavapai County Joint Technological Education District.

Mr. Carter reviewed the process that was employed to craft the proposal that began in the summer of 2006. He also reviewed the proposed governance structures, district membership, location of the primary facility, satellite campuses. He stated that the member districts have selected Mountain Institute as the name for the JTED. Mr. Carter recounted the broad public support for the JTED.

Mr. Molera asked what the impact would be if one of the larger districts were to withdraw, given the capital intensive nature of JTEDs and the need for a large tax base.

Mr. Carter acknowledged that this is a concern and that the success of the JTED is dependent upon the participation of all of the districts, particularly those with larger tax bases.

Motion by Mr. Ary to approve the proposal for the formation of a Western Yavapai County Joint Technological Education District, as presented.

Second by Ms. Owen.

Motion passes.

I. Presentation, Discussion and Consideration to Approve Contract Amendments for the Following Charter Schools:
1. Arizona Academy of Science and Technology, Inc.

Ms. Rowe presented the item and explained that the proposed amendment to the charter for Arizona Academy of Science and Technology, Inc. The proposed amendment would state that beginning in FY '09 the school would only serve grades K-8. Ms. Rowe also explained that the proposed amendment for Legacy Schools would reduce the grade levels served, effective

immediately, from K-12 to K-8.

Ms. Mendoza moved to approve the contract amendment with the Arizona Academy of Science and Technology to reduce the grade levels served from grades K – 12 to grades K – 8, beginning with Fiscal Year 2009.

Second by Dr. Nicodemus

Motion passes.

2. Legacy Schools

Motion by Mr. Moore to approve the contract amendment with Legacy Schools to reduce the grade levels served from K – 12 to K – 8.

Second by Mr. Lucero.

Motion carries.

- J. Presentation, Discussion and Consideration to Determine Compliance with Statutory Fingerprinting Requirements for New Visions Academy, Inc. The Board may Exercise its Authorities as Provided by A.R.S. § 15-185 (I) Upon a Finding of Non-Compliance.

Ms. Rowe presented the item. She explained that she and her staff have performed a compliance monitoring visit at New Visions Academy. She indicated that it was found that New Visions had a small number of employees that had not complied with the fingerprint requirements for charter school employees. Ms. Rowe stated that this is the first violation for New Visions and that the action requested today is that the Board provide notice to the school that any subsequent violations could result in the withholding of funds.

Motion by Dr. Nicodemus to determine that New Visions Academy, Inc. has failed to comply with the fingerprinting requirements prescribed in A.R.S. 15-183(C), and to direct staff to:

- *Apprise the school of this determination; and*
- *Notify the charter operator that any subsequent violation of the fingerprinting provisions during the next five years will result in an automatic civil penalty of \$1000 per occurrence.*

Second by Ms. Mendoza.

Motion passes.

- K. Presentation, Discussion and Consideration to Withhold a Portion of State Aid to the Salt River Pima-Maricopa Community Schools for Failure to Timely Submit its Annual Financial Audit and Questionnaire, Pursuant to A.R.S. §§ 15-183(E)(6) and 15-914

Mr. Moore recused himself from this item.

Ms. Rowe presented the item. She explained that this school has failed to submit its annual financial audit and compliance questionnaire. Mr. Dale Fredrick, superintendent of the school is present and available to answer the Board's questions.

Mr. Fredrick accepted full responsibility for delay in completing the audit. He stated that the school is working to complete the audit and that this delay is a result of changes in the governance of the school, with respect to its relationship to the tribe.

Ms. Owen moved to find the Salt River Pima-Maricopa Community Schools in non-compliance with the annual financial audit requirements and approve the withholding of five percent of their monthly apportionment of state aid and require a corrective action plan that will include the submission of the audit package. These funds shall be withheld until a complete audit and questionnaire for fiscal year ended June 30, 2007 have been submitted.

Mr. Ary seconds.

Motion passes.

- L. Presentation, Discussion and Possible Consideration to Approve Proposed Alternative Social Studies Standards, Pursuant to the Negotiated Settlement Agreement in the Matter of *Basis School, Inc., et al v. Arizona State Board of Education*. Pursuant to A.R.S. § 38-431.03(A)(3) and (4), the Board May Vote to Convene in Executive Session for Consultation and/or Legal Advice.

Mr. Molera recused himself from this matter due to a possible conflict of interest.

Mr. Moore moved to convene in executive session for consultation and legal advice.

Second by Mr. Lucero.

The Board convened in executive session.

The Board returned to general session.

Owen motioned moved to approve the proposed alternative social studies standards as presented.

Second by Dr. Nicodemus.

Motion passes. Ms. Mendoza voted in opposition. Mr. Molera recused himself.

5. ADJOURN

Motion by Mr. Moore to adjourn.

Second by Ms. Mendoza.

Motion passes. Meeting adjourned.