

Minutes
State Board of Education
Monday, October 22, 2007

The Arizona State Board of Education held its regular meeting at the State Capitol Executive Tower, 1700 W. Washington, 2nd floor conference room, Phoenix, Arizona. The meeting was called to order at 9:08AM.

Members Present

Dr. Karen Nicodemus
Dr. Vicki Balentine
Superintendent Tom Horne
Ms. Cecilia Owen
Mr. Larry Lucero
Ms. Anita Mendoza
Ms. Martha Harmon
Mr. Jacob Moore
Mr. Jesse Ary

Members Absent

Dr. John Haeger
Ms. Joanne Kramer

1. BUSINESS REPORTS

A. President's Report

Dr. Nicodemus thanked Mr. Yanez and the staff of the Executive Tower for helping set up this meeting.

Dr. Nicodemus, Dr. Balentine and Mr. Yanez and representatives from the Board's Governmental Lobbyist group held a series of meetings with Legislators to discuss the proposed graduation requirements.

B. Superintendent's Report

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

- Career and Technical Education
 - Education Services and Resources Division
 - Held the third annual CTE Career Expo entitled "The Sky's the Limit" which had 12,000 attendees

C. Board Member Reports

Mr. Lucero thanked the members for appointing him to the WestEd Board of Directors and stated that he had attended the orientation. He introduced Dr. Wade McLean, President, WestEd Board of Directors. Dr. McLean mentioned that Mr. Lucero was placed on the program committee in hopes of developing teacher training. Dr. McLean thanked the State Board members for their hard work.

D. Director's Report

1. 2007 Technology Assisted Project Based Instruction Audit Report and Response

Mr. Vince Yanez, Executive Director, State Board of Education, reported that the Auditor General has been conducting a review of the Technology Assisted Project Based Instruction Program for the virtual schools, and that the release of the report has been postponed.

Mr. Yanez also reported that the December State Board meeting is planned for December 10th and asked members to check their availability.

2. CONSENT AGENDA

- A. Consideration to Approve State Board Minutes
 - 1. September 27, 2007
- B. Consideration to Approve Contract Abstracts
 - 1. Amendment to the 2007-2008 Enhancing Education Through Technology (EETT) Discretionary Grant
 - 2. Title I – D, Part 2 Transition Grant
 - 3. Arizona Adult Education Adult Secondary Education Reframing Pilots
 - 4. Arizona Adult Education and Arizona Public Library Collaboration Initiative
- C. Consideration to Approve Structured English Immersion (SEI) Training for the Provisional and Full Endorsements
- D. Consideration to Approve Nominees for the Career and Technical Education Advisory Committee to the State Board of Education
- E. Consideration to Accept Donated Funds for Extending Arizona Career Information System (AzCIS)
- F. Presentation, Discussion, and Consideration to Appoint Dr. Larry McBiles to the Career Ladder Advisory Committee
- G. Consideration to Approve Career Ladder Program for the Window Rock Unified District for Fiscal Year 2007-2008
- H. Consideration to Approve Funding of the State Administration of Child Nutrition Programs and Summer Food Service Program
- I. Consideration to Accept the Recommendation of the Professional Practices Advisory Committee and Deny the Application for Teacher Certification for Devlyn Young, C-2004-154 R

Dr. Balentine clarified that item 2A should state the date of September 24, 2007.

Motion by Mr. Lucero and seconded by Mr. Ary to approve the consent agenda with the above correction. *Motion Passes*

3. CALL TO THE PUBLIC

Members of the public requested to speak to specific issues on the agenda.

4. GENERAL SESSION

- A. Presentation, Discussion and Consideration to Approve the Receiver's Financial Improvement Plan for the Union Elementary School District

Mr. Peter Davis, Simon Consulting, Dr. Diane Hamilton, Former Superintendent, Tolleson Elementary School District, and Mr. Bill Christensen, Current Superintendent, Tolleson Elementary School District, presented the 120 day report. The complete report is included in the materials packet.

Mr. Justin Greene, former Superintendent, Union Elementary School District, stated that the Union ESD is the fastest growing district in the state. He added that in 2005 there were 450 students, and in 2007 there were 1350. He stated that he is responsible for Union ESD being in receivership based on his trying to find additional financial support for the district and not having enough time to generate the needed funding. He noted that the receivership was necessary due to the lack of assistance that was received and that he had been working to solve a mathematical

inequality, the budget. He asked, “How do you double and pay for twice with half?” adding that receivership was the only way to get it done.

The following points were made during the discussion and consideration of the item:

- The Union Governing Board members were not present during the Board meeting
- The Union Governing Board is supportive of the receiver’s actions
- The Union Governing Board had mentioned they were not aware of many of the issues prior to the receivership
- Part of the Union issue was a dysfunction and conflict between the Governing Board, the Superintendent and the Administrative staff up to the point of the receivership
- The receiver does not know if there was intent of fraud, but there was gross mismanagement
- The Union Governing Board members have access to the Arizona School Board Association (ASBA) and they will be attending important trainings held by the ASBA
- It was suggested that Union staff participate in ASBO training also
- The receiver’s next step is to create a strategic plan
- The Union Governing Board was aware of the district’s over expenditures for school year 2006 when the Board approved the district’s administration to increase the salaries, as stated in the contracts and salaries portion of the 120 day report
- Ms. Janice Palmer, Director of Governmental Relations, Arizona School Boards Association, brought up the following points:
 - The ASBA held a law conference that teaches Board members what to ask
 - The ASBA offered a financial workshop where more than 250 teams attended
 - The ASBA has revamped their training to accommodate the new issues that Board members may have
 - The ASBA is working on a mentorship program with veteran school members
 - The goal of the ASBA is that there should not be any more schools in receivership
- The receiver would like to request possible solutions and will seek that through legislation
- The five-year repayment plan does not include the \$2.1M school finance budget
 - Finances owed to vendors etc.
- This year’s budget will not be able to make a repayment
- Future bond sales have ceased
- Union ESD will be utilizing Title II funds to recruit Highly Qualified teachers
- 11 teachers were released from their contract, per the teachers’ request
- The receiver would like to see Union and Tolleson districts merge
- The school districts do not support a merger
- There are no significant assets to auction/sell
- The receiver wants to possibly ask for forgiveness, due to budget capacity
- To make a payment, the budget capacity would have to be 92%
- 100% budget capacity is needed due to the education issues
- The SBE is currently withholding 5% from Union ESD for USFR non-compliance
 - The 5% withholding does not affect the budget capacity
- Part of the budget problem was that the County Treasurer’s Office was advancing warrants to the school district
 - ADE has asked them to stop and they have complied

- Ms. Harmon does not support any sort of forgiveness plan
- If there is any indication of criminal intent the Attorney General will be notified

Motion by Dr. Balentine and seconded by Ms. Owen to approve the Receiver's financial improvement plan for the Union Elementary School District and grant the Receiver only those authorities delineated in A.R.S. §15-103 F1-11 that ensures repayment of excess budget capacity. All other options considered will require specific SBE approval. *Motion Passes*

Ms. Mendoza encouraged the district to try increasing revenue by leasing space to various outside entities.

Dr. Nicodemus clarified that the motion empowers the receiver to move forward as articulated in Arizona Revised Statute with the exception of forgiveness, of either a request for forgiveness around the district's indebtedness, which would require additional discussion and approval by the SBE.

B. Presentation, Discussion and Consideration to Approve the Receiver's Financial Improvement Plan for the Saddle Mountain Unified School District

Mr. John White, Ms. Elizabeth Monty, and Ms. Tommie Miel, Veriti Consulting, LLC, presented the 120 day report, which is included in the materials packet. The following points were made during the discussion and consideration of the item:

- The calendar and instructional minutes per day has already been changed
- The mismanagement is characterized as poor management decisions and any allegations that require further action will be turned over to the proper governmental bodies
- It is the receiver's opinion that the SMUD Governing Board provided little oversight to the former Superintendent and as a result, the former Superintendent was able to get various items rubber-stamped through the board
- The main issue is budget capacity and cash flow
- The issue of a district merger has not been presented to the voters
- The plan is to seek legislative relief in the form of a district merger prior to taking it to the voters
- If a merger were to occur the financial liability would be structured so that portions of the newly created district would have a different tax responsibility and in this situation it would rely heavily on the nuclear plant
- There is a recall effort for three of the SMUD Governing Board members
- No SMUD Governing Board members were present at today's meeting
- Dr. Nicodemus stated her hopes that the community would come to appreciate the role the receivers are in
- Dr. Balentine thanked Ms. Robin Berry, Superintendent, Palo Verde Elementary School District, for her assistance with the SMUD district

Motion by Dr. Balentine and seconded by Ms. Mendoza to approve the receiver's financial improvement plan for Saddle Mountain Unified School District and grant the receiver only those authorities delineated in §A.R.S. 15-103 F1-11 that ensure a repayment excess budget capacity. All other options considered will require specific SBE approval. *Motion Passes*

C. Presentation and Discussion Regarding Implementation of A.R.S. § 15-244 and the Establishment of the Office of Indian Education

Dr. Karen Butterfield, Associate Superintendent, Academic Achievement, Arizona Department of Education, introduced Ms. Debora Norris, Director of Indian Education, Arizona Department of Education. Ms. Norris presented via PowerPoint, included in the materials packet, the following points:

- The bulk of the LEAs are Navajo Nation or near it
- It is a requirement for schools in the Indian Bureau to teach to the state standards
- The Office of Indian Education is in discussion with the Bureau schools and relationships are forming to discuss state standards
- There is a gap in achievement between tribal schools and other public schools and they are working to support the districts
- They promote shared responsibility with tribal governments
- They have developed a statewide plan to help learn from tribes through a model

D. Presentation and Discussion Regarding the Native American Dropout Prevention Initiative (NADPI)

Ms. Bonnie Talakte, Education Program Administrator, Innovative and Exemplary Programs, Arizona Department of Education, presented information via PowerPoint, which is available in the materials packet.

E. Presentation, Discussion and Consideration to Initiate Rulemaking Procedures for A.A.C. R7-2-302, 302.01, 302.02, 302.03 **and 302.04**, Regarding Arizona's Minimum Course of Study (High School Graduation Requirements)

Mr. Vince Yanez, Executive Director, Arizona State Board of Education, discussed the draft rules provided to the SBE members. The following points were made during the discussion:

- The current rule for graduation requirements will still be in place for the graduating classes of 2008 – 2011
- The proposed graduation requirements will become effective for the graduating class of 2012
- Superintendent Horne proposed a change in the language:
 - A credit could apply to two requirements as long as it doesn't count as multiple credits toward the 22 credits
 - An example would be a student taking a CTE engineering class where the credit could count toward a math credit and a CTE credit
 - Mr. Yanez stated that there is a rule about CTE courses where credit only counts toward one and noted that the SBE could change this
- Ms. Owen handed out a document that showed the support of many County Superintendents
- Mr. Ary stated his concerns with the proposed two-tiered diploma system

Mr. Jon Mulcahy, President, Arizona Association for Career and Technical Education, stated that the Association is most concerned with the proposed high school graduation requirements, and added the following remarks:

- Supports increasing rigor
- Opposes increase of units
 - Will tie the hands of those interested in true education reform
- Concerned that the increase will limit student access to electives particularly for schools with untraditional schedules

- Electives provide students the relevance they desperately seek
- Increase the rigor but leave it to the local education professionals to design effective implementation strategies
- The proposed dual diploma plan is of greater concern
 - Believe all students should be prepared for post-secondary programs
 - This will divide the educational house and de-value the efforts made by CTE educators to raise the rigor of relevant courses

Mr. Greg Donovan, Superintendent, WestMec, stated the following:

- Against the dual diploma system
- Concern about how uninformed JTED superintendents are with the proposal for a dual diploma system
- Believes if given a choice all students will choose to go to college and pursue the Regent's Diploma
- Questioned what would happen if a junior in high school is not cutting the Regent's Diploma.
 - The students would not have the time to complete the proper CTE education to complete a standard diploma

Ms. Jan Stiles, Math and Curriculum Specialist, Paradise Valley Unified School District, stated that the following would be consequences to changing the Math graduation requirements:

- Scarcity of qualified Math teachers
- Need to assist students who have difficulty with Algebra and beyond
- Adequate preparation in the years prior to high school
- For students to be ready for Algebra I in 8th or 9th grade and to be prepared for Algebra II at some point will require the following:
 - Professional development for teachers
 - Summer school programs
 - Extra time in math such as a year long block period
 - Teachers in elementary school who only teach math will add to the need for teachers
- Having classes for a math credit taught by a non-math certified teacher creates issue with Highly Qualified requirement for appropriately certified under NCLB
- Putting requirements in place without proper funding will only lead to disaster

Mr. Andrew Morrill, Vice President, Arizona Education Association, stated that there will be three forums to bring teachers' voices to the issue in November. He noted that he will forward the information to the SBE. Mr. Morrill pointed out that the outcome of these forums will be:

- to discuss how to hire highly accomplished teachers
- to identify student, teacher, school and district needs
- to offer suggestions for successful implementation of a plan to make the standards successful

He stated his concern that the articulation of the math requirements is still relying on the course title and less on standards and competencies. He noted that he had questions regarding the flexibility of the Economics requirement and added that very few high schools offer a full year of Economics.

The Board adjourned for lunch at 12:42pm and reconvened at 1:29pm.

Discussion regarding the proposed graduation requirements continued and the following points were made:

- Superintendent Horne suggested changing the language regarding the Economics to one unit of World History, one unit of American History, one-half unit of Economics, and one-half unit of Government to clear up any possible confusion
- Superintendent Horne suggested a change with the Regent's Diploma stating that the rule should say districts shall offer it
- Ms. Owen stated her concerns regarding the two-tiered diploma program
- Mr. Ary also stated his concerns regarding the two-tiered diploma program
 - Some members of the public believe the two-tiered diploma program is a first class/second class system
- Ms. Mendoza suggested finding language that is not exclusionary or maybe find a way to give a Regent's recognition
- Ms. Mendoza stated her concerns regarding Algebra II and how the standards would be worked into a CTE course
- Superintendent Horne requested that the alternative language be part of the package that goes out for public comment
- Ms. Pollock stated that the purpose of today's meeting is to open rulemaking
- Ms. Harmon supports the two-pathway diploma system
 - The system will give students the pathway to college
- Dr. Nicodemus supports Algebra II or course equivalent
- Dr. Nicodemus had concerns regarding the Regent's Diploma
 - Need to differentiate between university admission requirements and college readiness
 - It may be interpreted as a guarantee to go to a university when it is meant to be a pathway only
- Mr. Horne suggested putting one year of Biology in rule
- Mr. Moore stated his concerns regarding the two-pathway diploma system
 - Would like to see rule language that provides flexibility between the two diplomas
- Dr. Balentine stated her support for the policy change
- Mr. Ary would like to hear more input from the public
- Ms. Owen stated her concerns regarding dropout students
 - The four year math requirement may discourage dropout students from coming back
- Ms. Mendoza commented that increasing rigor will make the course more meaningful and increase skill content
- Mr. Ary supports increasing rigor but has concerns that they are enhancing their capacity to give assistance to school districts in troubled areas
- Ms. Pollock mentioned the following suggested rule changes
 - Social Studies; R7-2-302.01 1b c and d, R7-2-302.02 1 b c and d, and R-7-2-302.04 2 3 and 4 as follows
 - one credit of American History, including Arizona History
 - one credit of World History/Geography
 - one-half credit of Government

- one-half credit of Economics
- Science: R7-2-302.01 1 f, R7-2-302.02 1 f:
 - two credits of Science in preparation for proficiency at the high school level on the AIMS test
- Language regarding CTE language in R7-2-302.01 4b and R7-2-302.02 4b:
 - One credit may apply toward more than one subject area but shall count only as one credit toward satisfying the 22 required credits

Ms. Pollock clarified that all rules that have been discussed today can still be changed or amended prior to their adoption.

Dr. Suzan DePrez, Assistant Superintendent for Curriculum and Instruction, Mesa Unified School District, stated that CTE courses are part of a program and when a student completes the course they are given credit for the class, such as an economic or math credit, etc.

Mr. Horne stated that the language he suggested would create more room for students to take elective courses.

Motion by Ms. Mendoza and seconded by Ms. Harmon to initiate the rulemaking procedures for proposed rules A.A.C. R7-2-302, 302.01, 302.02, 302.03 and 302.04 regarding Arizona's minimum course of study and competency requirements for the graduation of students for high school, as amended. *Motion Passes*

F. Presentation, Discussion and Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Approve the Applications for Teacher Certification for the Following Individuals:

1. Florine Parrish, C-2006-090 R

Mr. Charles Easaw, Chief Investigator, Investigative Unit, Arizona State Board of Education, stated that there was no further information for the Board and that Ms. Parrish was present.

Motion by Dr. Balentine and seconded by Ms. Mendoza to accept the recommendation of the Professional Practices Advisory Committee and Approve the Application for Florine Parrish. *Motion Passes.*

2. Clyde Baker, Jr., C-2005-131 R

Mr. Charles Easaw, Chief Investigator, Investigative Unit, Arizona State Board of Education, stated that there is no further information for the Board and that Mr. Baker was present.

Motion by Dr. Balentine and seconded by Mr. Lucero to accept the recommendation of the Professional Practices Advisory Committee and Approve the Application for Clyde Baker, Jr. *Motion Passes.*

Proceedings then moved to Agenda Item 4Q

G. Presentation and Discussion Regarding Statewide AIMS Results for the Spring 2007 Test Administration.

This item was tabled to the next SBE meeting.

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

This item was tabled to the next SBE meeting.

I. Presentation and Discussion Regarding Personalized AIMS Study Guides

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, introduced Ms. Tisha Pryor, Director-State and District Partnerships, McGraw-Hill. Ms. Pryor gave the presentation via PowerPoint, which is available in the materials packet.

The following points were made during the discussion:

- There will be ongoing work with the schools to get a great response from the students
- The total cost to the state would be \$3.3 M which equals about \$19 per student
- The Department of Education has asked for a more in-depth evaluation of the program
- There is not sufficient information on the parental data at this time
 - They are looking at increasing the response from the parents as well

J. Presentation and Discussion Regarding the Online Administration of the 8th Grade AIMS Science Field Test

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, introduced Mr. Rich Young and Dr. Denny Way, Pearson. Mr. Young and Dr. Way gave a presentation, via PowerPoint, which is available in the materials packet. The following points were made during the discussion:

- Ms. Alley believes that the districts have the capacity to use this program, but it may be a slow process
- Infrastructure concerns are huge
- Policies and security are done in a controlled environment to prevent cheating
- Testing windows will be shortened for more security
- The data is analyzed at an item level at this point

Discussion then moved to item 4L

K. Presentation, Discussion and Consideration to Approve Increase in the Aggregated Dollar Limit for School District Procurements, Pursuant to A.R.S. § 41-2535

This item was tabled.

L. Presentation, Discussion and consideration to Approve the Application Process and Program Design Relating to the Instructional Technology Systems Pilot Program

Ms. Cathy Poplin, Director for Instructional Technology, Arizona Department of Education, gave a brief overview of this item and further discussion ensued, The following points were made:

- There are two planned face-to-face technological workshops and three webinar opportunities
- The \$1M allocation is a one-time allocation to be used over a three year period
- The money will continue to roll over each year
- The team has been given a book called “One-to-One Learning: Laptop Programs That Work” as guidance
- Peer coaching is the most important thing that has come out of the last two years’ grants for teacher training
- The school has not been chosen as the RFP has not been published yet
- Once the SBE approves today’s proposal, they can start the process

- A participant of the Statewide Instructional Technology project will sit on a review committee to choose a school

Motion by Dr. Balentine and seconded by Ms. Mendoza to approve the application process and program design relating to the Instructional Technology Systems Pilot Program. *Motion Passes.*

M. Presentation, Discussion and Consideration to Approve Recommendations for the Professional Preparation Program

1. Arizona State University (Tempe Campus)

Motion by Ms. Mendoza and seconded by Ms. Harmon to approve recommendations for the Professional Preparation Program for Arizona State University, Tempe Campus. *Motion Passes.*

2. Pima Community College

Motion by Mr. Lucero and seconded by Mr. Moore to approve recommendations for the Professional Preparation Program for Pima Community College. *Motion Passes.*

N. Presentation, Discussion and Consideration to Approve Additional Teacher Education Program for the University of Phoenix

Motion by Dr. Balentine and seconded by Ms. Owen to grant two-year approval to the University of Phoenix MAED, Early Childhood Program. *Motion Passes.*

O. Presentation, Discussion and Consideration Regarding Professional Preparation Program Review Team Recommendations for Capella University

Motion by Dr. Balentine and seconded by Ms. Mendoza to approve the recommendations of the Professional Preparation Program as presented for Capella University. *Motion Passes.*

Discussion then moved to Item 4S

P. Presentation and Discussion Regarding the Designation of Calculators as a Non-Standard Accommodation on AIMS. The Board may Take Action Regarding this Matter.

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, stated that the USDOE would be sending this out for peer review. The following points were made during the discussion:

- California is not an approved state
- Arizona was one of the first ten states approved
- Any change in the assessment system must be approved by the USDOE
- Once a response is received from the USDOE notifications will be sent out immediately

Q. Presentation, Discussion and Consideration to Approve Program of Instruction Amendment to the Charter Contract for Developing Innovations in Navajo Education, Inc.

Mr. Jason Archuleta, State Board for Charter Schools, presented the information provided in the materials packet.

Motion by Dr. Balentine and seconded by Mr. Moore to approve the program of instruction amendment to the charter contract for Developing Innovations in Navajo Education, Inc. *Motion Passes.*

Proceedings then moved to item 4R

R. Presentation, Discussion and Consideration to Find Developing Innovations in Navajo Education, Inc. in Non-Compliance with the Classroom Site Fund

Requirements and Approve the Withholding of Ten Percent of its Monthly Apportionment of State Aid

Ms. Heather Kelley, State Board for Charter Schools, presented the information provided in the materials packet. The following points were made during discussion of the item:

- There were no representatives from the districts at today's meeting
- The next audit is due November 15th, however, due to the lateness of the FY06 audit, they do not anticipate that the school had ample time to come into compliance
- The school has approximately 26 students enrolled

Motion by Dr. Balentine and seconded by Mr. Moore to find Developing Innovation in Navajo Education, Inc. in non-compliance with the Classroom Site Fund requirements and approve the withholding of ten percent of its monthly apportionment of state aid. *Motion Passes.*

- S. Update Regarding *Flores v. The State of Arizona*. 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 *Flores v. The State of Arizona*. 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 Instruction Given in Executive Session

Motion by Ms. Mendoza and seconded by Ms. Owen to move into executive session. *Motion Passes. The SBE moved into executive session at 3:57pm and reconvened in general session at 4:28pm.*

Discussion then moved to Item 4P

5. ADJOURN

Motion by Mr. Lucero and seconded by Ms. Mendoza to Adjourn. *Motion Passes. The meeting adjourned at 5:03pm*