

**Minutes  
State Board of Education  
Monday, May 22, 2006**

The Arizona State Board of Education held its regular meeting at the Arizona Department of Education, 1535 West Jefferson, Room 417, Phoenix, Arizona. The meeting was called to order at 9:05 AM.

**Members Present**

Mr. Jesse Ary  
Dr. Vicki Balentine (via telephone)  
Dr. Michael Crow  
Mr. Bill Estes (via telephone)  
Ms. JoAnne Hilde  
Superintendent Tom Horne  
Ms. Joanne Kramer  
Mr. Larry Lucero  
Ms. Anita Mendoza  
Dr. Karen Nicodemus  
Ms. Cecilia Owen

**Members Absent**

**PLEDGE OF ALLEGIANCE AND MOMENT OF SILENCE**

**1. BUSINESS REPORTS**

**A. President's Report**

Ms. JoAnne Hilde stated that she visited the CTE programs at the Peoria Unified School District and that she saw the high level of academics/equipment available to students. She said the students have dynamic learning opportunities and publicly thanked the Peoria District and Mr. Jesse Ary, who is the State Board's liaison to CTE, for the invitation to join in this visit and for his efforts to insure awareness of the CTE program.

**B. Superintendent's Report**

Superintendent recognized several ADE Divisions:

- Academic Achievement for the third Breaking Ranks II high school summit "Collaborative Leadership/Professional Learning Communities and the second annual "Spotlight on Success" awards dinner where 19 outstanding schools, organizations and individuals were recognized for heir accomplishments in secondary school renewal efforts
- Educational Services and Resources for sponsoring the Transition Outcomes Project training which had about 155 participants
- School Effectiveness for sponsoring five academies covering Curriculum Mapping I and II, Revised Standards and Rubrics for School Improvement with 160, 164 and 54 teachers and administrators participating, respectively
- School Effectiveness for participating in a School Safety and Prevention collaboration to improve school emergency preparedness
- Academic Achievement for hosting the 2006 ELL Leadership Summit that was designed exclusively for Arizona school leaders regarding English language learner students and had 225 registrants
- State Action for Education Leadership Project (SAELP)-Wallace Grant for hosting

the third annual Leadership for Learning Institute with participants from all seven demonstration districts

C. Board Member Reports

Mr. Ary encouraged members to review an article “Dropout Nation” which was provided and is also available online. Mr. Ary stated that this is worthwhile sharing with members and noted that high stakes tests are in the news and that he was pleased to see how districts are reversing the tide through Career and Technical Education.

Ms. Kramer congratulated Mr. Bill Estes, who received an Honorary Doctor of Humane Letters last week at the University of Arizona.

D. Director’s Report, Including Discussion and Possible Legal Action

1. Legislation Relating to AIMS Augmentation
2. Other Items as Necessary

Mr. Vince Yanez, Executive Director, State Board of Education, brought members up to date regarding the additional developments on AIMS augmentation since the last meeting, noting that Senate Bill 1443 was signed by the Governor requiring the SBE to alter the list of courses eligible for augmentation. Mr. Yanez added that the bill originally had an emergency clause which would have made it effective immediately and would have required the SBE to meet and adopt rules per this bill. However, the emergency clause lost in the House and the question now is what is required regarding the formula between now and 90 days when the bill becomes law and what the SBE can do in this regard. Mr. Yanez added that when the augmentation formula was being created there was discussion regarding what courses should count and the courses specified in Board rule were discussed with the Attorney General’s Office. An official opinion was issued by the Attorney General's Office indicating that only the 11.5 credits would be eligible to be augmented. Mr. Yanez noted that there is not an emergency clause attached now and given that the law is in effect and with the Attorney General's opinion, the SBE cannot change the rule at this time. Mr. Yanez stated that members will receive the bill/law when it is in effect.

Ms. Mendoza asked if the augmentation worksheets previously sent to schools were still in effect and Mr. Yanez stated that schools were to proceed on the basis of the SBE rule.

Dr. Nicodemus suggested that the SBE should be proactive over the summer in anticipation of what the next legislative session may suggest for a long term solution and Mr. Yanez added that the legislation sunsets next year and augmentation, which is for the '06 and '07 classes, will go away. Mr. Yanez added that he hesitates to guess on future legislative action but has no indication at this time that an extension may be considered.

Superintendent Horne stated that the philosophy of the legislature would be against extension and if the SBE wants to take a position it could be appropriate for a future discussion.

Mr. Yanez also clarified that there is a reporting requirement within the augmentation rules that school districts are required to report how many students benefited from augmentation as it currently stands. At this point, there is some indication from a few districts that some students benefited from the augmentation and some were negatively impacted, but as a whole it appears that the benefit is there.

Ms. Hilde noted that if the ADE has adequate information by the June meeting perhaps a report could be called for and discussed at the June 6 retreat. She added that if this is chosen as a legislative platform issue, then it would need to be brought forward at the SBE August meeting for a public vote.

Mr. Estes asked what percentage of students passed AIMS and what percentage passed utilizing the augmentation process and Mr. Horne responded that their projection of the number of students

that would have the required credits, based on the '04 numbers where 94% passed, and based on preliminary results from schools it is believed that another 4% will graduate and based on augmentation, special education and reciprocity another 4% will graduate, equaling 98%. Mr. Horne added that the other 2% will hopefully pass in July in time to get their diploma.

Ms. Owen reminded members that augmentation has requirements and is not an automatic number of credits given to students but is rather a safety net for students who do not do well on a test but can do well in other venues.

Dr. Balentine added that in at least one situation the student wasn't able to use the augmentation because they refused to participate in tutoring. She added that students need to understand the need for persevering.

## 2. SPECIAL PRESENTATION TO ARIZONA'S 2006 TEACHER OF THE YEAR, MS. LUCY POPSON

Dr. Karen Butterfield, Associate Superintendent, Academic Achievement, Arizona Department of Education, introduced Arizona's 2006 Teacher Of The Year, Ms. Lucy Popson, noting that this is an honor instilled in Arizona since 1983 under the Arizona Education Foundation. Dr. Butterfield added that Ms. Popson was recently recognized by President Bush at the White House. Ms. Lucy Popson's brief biography is included in the materials packet.

Mr. Horne presented Ms. Popson with a certificate of recognition and Ms. Popson stated that it was an honor to represent Arizona's teachers and inspire her students to also become teachers.

Ms. Hilde added the SBE's congratulations and thanked Ms. Popson and all teachers' for their hard work.

## 3. SPECIAL PRESENTATION REGARDING THE MASTER TEACHER INITIATIVE

Ms. Kathleen Wiebke, Executive Director, Arizona K-12 Center, introduced this initiative pointed out the following:

- This initiative was begun by the SBE almost one year ago and use the standards of the foundation;
- As part of the initiative they are building a core of accomplished teachers and supporting 120 teachers statewide to pursue National Board Certification;
  - Some of these teachers are from the rural areas of Arizona as well as some of the most difficult staffed schools
  - A significant number of these teachers are minority
- Many entities that have been supportive in this effort include
  - The Governor's Office
    - Assisted in using Title II program for recruiting and retaining teachers in the Native American communities
  - The National Board Certified Teachers and other educators across Arizona
    - Helped create the process, application and scored the teachers' portfolios
  - ASU and the BEST program
    - Will partner and assist in training mentors
  - Arizona Education Association
  - Teachers and their administrators who were risk takers and joined in this endeavor

Ms. Penny Kotterman explained the program via a PowerPoint presentation which is included in the materials packet. Ms. Kotterman pointed out that the application process was developed from the SBE's definition of a Master Teacher.

Governor Janet Napolitano then addressed the SBE on behalf of the Master Teacher program which was established in 2004 as a mechanism to match up new teachers with experienced mentors. Governor Napolitano noted that in Arizona approximately 25% of new teachers get no mentoring. She added that this program is designed to help fill the gap that occurs after the teacher has graduated and is put in charge of a classroom. The Governor added that these programs can be expensive but that it is more expensive to lose teachers because they weren't mentored and the goal is to keep them in the classroom. She noted the following accomplishments regarding Arizona's teachers:

- In the last two years 50% more teachers have become eligible for National Board Certification
- The number of minority and rural educators being recruited into advanced teacher programs has doubled
- This is the first time Master Teacher and National Board grants have been used to allow districts to create a pipeline to quality educators
- A number of educators being recognized are from areas of the state that are heavily underserved in terms of teaching staff
- Through a variety of funding sources teachers have been moved into high need areas
- Ultimately the legislature will have to put money into this program in order to get Master Teachers into every school where they are needed

Governor Napolitano introduced each Master Teacher Mentor and Distinguished Educator noting their respective districts. The Governor also thanked the SBE for its work in this project and noted that this could not be accomplished without the partnership between the Governor's Office and the State Board of Education.

Mr. Ary stated that he was impressed with the group of teachers and noted his concern in dealing with the issue of underperforming schools and asked if there was any correlation between these schools/district where these teachers are placed to serve and Governor Napolitano responded that it is not directly but many of the teachers are going into schools where there is state supported voluntary all day Kindergarten and where there is a high percentage of students who qualify for the free/reduced lunch program.

Ms. Owen noted that those teachers recognized from Coconino County are those with strong content area background and with a combination of this background and professional practices, effective teaching strategies will create success in delivering educational services.

Dr. Balentine thanked Governor Napolitano and reinforced the value of Ms. Wiebke and Ms. Kotterman's work in her district.

Ms. Mendoza noted that the Governor's stressing partnerships is important in that no one entity alone can do the job but partnerships can make this happen.

Governor Napolitano noted that the future of our state lies with the quality and success of the education system and the best equipped students begins with families, strong teachers and a strong and rigorous curriculum. She noted that this is one of the basic infrastructure needs of our state.

Dr Nicodemus commended the Governor for her interest in education and the Department for its work which appears to be substantive. She noted, and Governor Napolitano agreed, that as Master Teachers transition out of the program they will continue to mentor and additional Master Teachers will be added as time goes on. The Governor added that districts are committed to supporting this program as well.

Ms. Hilde stated that the State Board is honored by the Governor's presence and by her bringing the first class of Master Teachers for their initial recognition. Ms. Hilde added that the Governor's

leadership in Arizona on behalf of education is appreciated by the children and those who impact them every day.

Dr. Nicodemus asked for clarification in the difference between a Master Teacher and a Distinguished Educator and Ms. Kotterman explained that all teachers apply through a portfolio process and then districts create a pool of interested candidates from which they choose candidates whom they will support.

Ms. Owen asked how the career ladder and mentoring programs work together and Ms. Kotterman explained that the career ladder already completes components one and two of the Master Teacher application process and component three in some cases. She added that they have created something more systemic so data can be collected over time in order to create an ongoing mentoring/coaching level and build on what already exists.

Mr. Lucero asked how funds designated in the Workforce Investment Act (WIA) are used and Ms. Kotterman noted that these funds are for training the mentor teachers over a three-year period only and that the districts pick up the remaining costs, i.e. salaries, etc.

Mr. Lucero asked what the university culture's involvement is in this effort and Ms. Kotterman explained that the Arizona K-12 Center Board of Directors includes the Deans of all state university colleges of education and ASU's BEST program, a mentor training program, is also utilized. She added that the three universities all participate equally in the leadership development seminar, creating good connections between university programs.

Dr. Nicodemus asked that of the Master Teachers introduced what percentage of them are elementary and/or secondary teachers and Ms. Kotterman responded that the focus of the WIA funds is all-day Kindergarten schools so these teachers are elementary teachers. She added that high school teachers want to do this and are waiting for funding to become available from legislature. She noted that some middle school teachers are participating via the AzTEP grant.

#### 4. GENERAL SESSION

##### A. Presentation, Discussion and Consideration to Endorse the First Things First Initiative

Ms. Nadine Basha, addressed the State Board regarding the Arizona Early Childhood and Health Initiative which will be on the ballot in November. Further information is available in the materials packet. Ms. Basha noted the following regarding this initiative:

- Neuro-Science has proven the importance of early brain development
  - 90% of a child's brain is developed by age 3
  - Tracks laid down early in a child's development determine how well the child develops and does later in school
  - Help is always available throughout a child's school experience but it is more costly and more difficult over time
- Economists are talking about return on investment
  - 40 years of research have proven that this is a very vital and important thing to do for young children
- Standards and accountability movement is becoming more competitive and is not babysitting
  - expectations are the same for every child no matter what level of opportunity they have had prior to entering Kindergarten and elementary school
- A funding stream will be created for kids 0-5 via the tobacco tax
- A governing board will be created to determine where the money will go and to track those moneys

- Bi-partisan
- Regional representation
- Six year staggered term
- Appointed by the Governor
- Confirmed by the Legislature
- An 11-member regional partnership council will be created, probably based on counties, that will determine how to use the funds within the following guidelines:
  - Improve quality of child care and early childhood programs
    - Increase access to these programs
    - Professional development and training
    - Family support and outreach
    - Early health screening
    - Communicate with parents about services available
  - Look at assets of programs in existence to see what is being done well that can be built upon
    - Leverage existing resources
    - Leveraging through partnerships with local companies/foundations, etc.
      - Not top down but generated from local partnerships

Ms. Basha added that the campaign is going well and they are excited with the bi-partisan support they are receiving, including former Governors and various Congressmen. She noted that the fund raising and signature gathering are also going well. She added that 70% of Arizonans are in favor of this initiative and they hope that the individual members of the SBE will support this initiative even though this is not in the purview of the SBE to endorse.

Members of the SBE commented as follows:

Dr. Nicodemus:

- Commended the efforts and stated that she personally supports this campaign

Dr. Crow:

- This is absolutely an essential critical ingredient
- The single most important predictor of success is vocabulary at age 5 in any language
- Number that predicts vocabulary is zip code
- Need to find ways to enhance vocabulary as it will help at every level throughout life
- Supports this effort

Ms. Mendoza:

- Personally supports the initiative
- Has some similar family situations and noted the diversity in many children's lives at young ages

Mr. Ary:

- Encouraged with Ms. Basha's leadership in developing and initiating these efforts

Ms. Kramer:

- Endorses this issue
- Noted that teachers can tell the difference when children have had these kinds of opportunities prior to coming to school

Mr. Lucero:

- Noted that this initiative has garnered much support in the southern part of the state
- Appreciates the focus on bringing these opportunities to the rural areas

Ms. Basha added that the money will be allocated based on population and the number of children

ages 0-5, with special weight in the formula for kids at risk.  
Superintendent Horne:

- Passion regarding this subject and the ADE has focused efforts in early childhood
- Thanked Ms. Basha for her efforts in this initiative

Ms. Basha noted that the ADE Early Childhood Division has been an important creation that interfaces with many organizations across the state.

Ms. Hilde added that parents don't make decisions to not have children prepared and many times these additional opportunities are needed. Ms. Basha asked members to participate in their own regions when voting time comes and Ms. Hilde made forms available to members who wish to register their individual support for this initiative.

*The Board moved to Item 4E at this time.*

- B. Presentation, Discussion and Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Deny Certification for the Following Individuals:

1. George Butler, Case No. C-2005-108 R

Ms. Hilde noted that this item has been withdrawn.

2. Timothy Clark, Case No. C-2005-045 R

Ms. Rachell Tucker, Chief Investigator, Investigative Unit, State Board of Education, presented the background information as provided in the materials packet.

Motion by Dr. Nicodemus and seconded by Mr. Lucero to approve the findings of fact, conclusions of law and recommendation of the PAPC and deny Timothy Clark's application for certification. *Motion passes.*

- C. Presentation, Discussion and Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Approve the Proposed Negotiated Settlement Agreement for the Following Individuals:

1. Jill Lundgren, Case No. C-2005-153

Ms. Rachell Tucker, Chief Investigator, Investigative Unit, State Board of Education, presented the background information as provided in the materials packet.

Dr. Nicodemus asked if the district can have other sanctions in place in addition to the SBE's actions and Ms. Pollock noted that the SBE actions are in relation to the certificate and the district can take other action independently of the SBE's action.

Motion by Ms. Owen and seconded by Ms. Kramer to accept the negotiated settlement agreement in the matter of the State Board of Education v. Jill Lundgren and place a permanent letter of censure in Mr. O'Brien's certification file. *Motion passes.*

2. Robert O'Brien, Case No. C-2005-118

Ms. Rachell Tucker, Chief Investigator, Investigative Unit, State Board of Education, presented the background information as provided in the materials packet.

Dr. Nicodemus asked for clarification regarding the PPAC's recommendations and Ms. Pollock noted that the PPAC can make any recommendation and the SBE makes the final decision.

Motion by Ms. Mendoza and seconded by Mr. Lucero to accept the negotiated settlement agreement in the matter of the State Board of Education v. Robert O'Brien and place a permanent letter of censure in Mr. O'Brien's certification file. *Motion passes.*

D. Presentation, Discussion and Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Approve the Application for Certification for Joseph Richardson, Case No. C-2005-163 R

Ms. Rachell Tucker, Chief Investigator, Investigative Unit, State Board of Education, presented the background information as provided in the materials packet, noting that this case was before the SBE last month and the recommendation failed by a vote of 5-3 and is brought back this month for a majority vote of at least 6 votes.

Mr. Richardson stated that he was grateful for friends who have written letters on his behalf putting themselves on the line for him and that he was grateful for the members who voted to try to allow him to have a second opportunity to teach. He clarified that the PPAC had stated that he was not careful in allowing students to have access to his computer and noted that this was not true as he was very, very careful in those circumstances. He noted that he was the only one who used his classroom, the only teacher that had access to his computer and that students were not allowed to use his computer. He added that he was careful in erasing surfing trails and erasing histories, but that students were not allowed, ever, to use his computer. Secondly, Mr. Richardson added regarding the more severe finding was the fact that he looked at pictures of minors, various things that were sexually oriented with minors but that this was because of curiosity and not because he had a special interest in those areas, but that his curiosity was strong at that point. He added that he is disgusted with his actions and thoughts that he had at that time. Mr. Richardson stated that he understood that this is a severe case and the responsibility that the Board has to make sure we have good, qualified teachers and asked for a second chance. He added that if the members felt he really should not teach, he would understand that, as well.

Dr. Nicodemus asked if members could share their perspective from last month's discussion as she was absent and Ms. Pollock noted that questions can be asked, members can engage in further discussion, and refer to last month's minutes during this meeting.

Superintendent Horne noted that he is inclined to agree with the PPAC as they spend a lot more time and listen to more details than the SBE and the PPAC has made its recommendations on where this teacher stands at this time and the fact that he is not a danger to anybody. Mr. Horne added that he thought that if there were inappropriate materials viewed on the computer partly it was inadvertent as Mr. Richardson was seeking something else and other things came as a result. Mr. Horne added that Mr. Richardson wasn't seeking inappropriate materials. For this reason, Mr. Horne stated that he felt it was reasonable to support the PPAC's decision.

Ms Kramer noted that as educators, the safety of children is always number one and accessing pornography and viewing minors is a big concern.

Ms. Owen explained that she voted against this recommendation last time based on this gentleman's opportunities for making decisions and referred to schools' acceptable use policy and noted that schools have the responsibility of using filtered internet. She added that on occasion a pornographic website might slip through but not on a regular and continuing basis. Ms. Owen noted that she appreciated the letters of recommendation, but the seriousness and the opportunity for students and the lack of professionalism and character in terms of modeling for students seems to be very serious. Ms. Owen noted that this is widespread and students are impressionable and we send a strong message that it is okay for teachers to do this and not okay for students to do this. She added that students would face grave disciplinary actions if they engaged in these kinds of activities and if teachers are not disciplined we are backsliding.

Dr. Nicodemus asked if this was an ongoing issue that has been dealt with on a long-term basis and whether this had been addressed through counseling and Mr. Richardson noted that since he was 5 years old and saw the first pornographic picture it has been part of his life but only on 4 or 5 or 6

occasions in the classroom. He added that this is bad and he is not saying that it isn't, but it was a limited amount of time in the classroom. Dr. Nicodemus asked if Mr. Richardson was suggesting that his response was in reference to the specific classroom incidences versus to what went on outside the classroom, and Mr. Richardson responded, correct.

Ms. Mendoza noted that Mr. Richardson had stated that he was careful to erase the history, the patterns of his internet surfing, on his computer and noted that this behavior would never dawn on her to do if she wasn't doing something inappropriate. She asked Mr. Richardson that if he truly believed that he was not doing anything that was unprofessional why he would go in and erase the history of the sites he visited. Mr. Richardson stated that he did know it was unprofessional and that he did recognize at the time that it was wrong so he was very careful not to allow anyone else to see what he was doing.

Motion by Dr. Nicodemus to accept the findings of fact, conclusions of law, and recommendation of the PPAC and approve Mr. Joseph Richardson's application for certification. Seconded by Mr. Estes. *Motion passes. Roll Call Vote:*

*President Hilde - yes*

*Vice President Dr. Nicodemus - yes*

*Superintendent Mr. Horne - yes*

*Mr. Ary - yes*

*Dr. Balentine - yes*

*Dr. Crow - no*

*Mr. Estes - yes*

*Ms. Kramer - no*

*Mr. Lucero - no*

*Ms. Mendoza - no*

*Ms. Owen - no*

E. Presentation, Discussion and Consideration to Approve Amendments to the Social Studies Standards Articulated by Grade Level

Ms. Marie Mancuso, Deputy Associate Superintendent, Standards Based Teaching and Learning, School Effectiveness Division, Arizona Department of Education, requested approval of refinements to the Social Studies Standards as requested at a previous SBE meeting in response to concerns from Dr. Crow. Ms. Mancuso introduced the members of the revision committee, the Social Studies committee and representatives from ASU who were in attendance today.

Ms. Carol Warren, Social Studies Content Specialist, School Effectiveness Division, Arizona Department of Education, spoke to the specific revisions that were made noting that the committee has come to consensus regarding the changes made.

Dr. Nicodemus asked if these were reasonable expectations and Ms. Warren noted that educators from all levels participated with strong K-3 representations. She noted that they met with early childhood specialists from ASU and ADE.

Dr. Crow thanked staff and ADE for engaging in the ongoing, constant re-thinking of standards to a high order of precision.

Motion by Dr. Crow and seconded by Mr. Estes to approve the amendments and refinements in wording to the Social Studies Standards articulated by grade level (that were adopted September 26, 2005) as presented. *Motion passes. Ms. Mendoza voted no.*

Ms. Mendoza explained her vote by stating that it is not against the quality of work or improvement of the language but is rather about philosophical issues with skill-based standards versus prescriptive content.

Ms. Hilde thanked the committee and others who assisted in the refinement process noting the extra work that was required and the difference this will make in the classroom.

*The Board took a ten minute break at 10:40AM and reconvened at 10:50AM. At this time members requested that the following items be pulled from the Consent Agenda for further discussion/clarification:*

- *Item 6B*
- *Items 6E1 and 2*
- *Item 6K*

*At this time the Board continued with Item 4B.*

F. Presentation, Discussion and Consideration to Set Passing Scores for the Middle Grade Mathematics Exam of the Arizona Educator Proficiency Assessment

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Academic Achievement, Arizona Department of Education, presented an overview of the process that was followed via PowerPoint Presentation which is included in the materials packet.

Dr. Marty Karlin, Senior Area Director, National Evaluation Systems, explained the recommendations of the panel utilizing the attachment provided in the materials packet. Ms. Amator noted that all teachers could take the test if they paid the fee. Dr. Nicodemus asked about the minimum entry skills and Ms. Amator clarified that at least 65% passing score was required. She added that the items on each test are not necessarily aimed at a specific level but range in difficulty. Dr. Nicodemus asked what we have that indicates the minimum level of knowledge that a teacher must have in order to teach middle school math. Ms. Amator responded that this is a means of filtering out the areas that are not necessary for this level and Dr. Nicodemus asked what the cohort represents in this case.

Dr. Karlin explained another chart reflecting a multiple choice question (frequency of difficulty within the items) if cut score is at 52, 64% got that score or greater and if it is set at a cut score of 60, 41% would get the score and if set at 47 then 74% would be the pass rate.

Superintendent Horne noted that the ADE has a practice test that is close to the items on the real test and on behalf of reasonableness he had a superintendent complain that the cloned test made him afraid that he couldn't pass. Mr. Horne took the test and got 85% and stated that this is a reasonable cut score.

Ms. Amator read a note from a person who took the test on April 8 and stated that the test is fair, reasonable, has content knowledge across the continuum, and that longitudinal coherence is essential.

Ms. Mendoza voiced her concern that on the other end of this test, if low cut scores are set, it may receive the same complaint as AIMS did, and she added that this may be the same as correlating teacher standards too low. Ms. Amator noted that teachers on the standards setting panel were middle grade math teachers. Mr. Estes stated that we may need to up the cut score, that we need to be more rigorous, need to push students and that we can't do that without pushing teachers.

Ms. Owen stated that it is troubling not to know about the makeup of the cohort group and that she is unsure about the appropriateness of test results. Ms. Amator responded that they don't have data on who was taking the test but that they hoped it was the middle school math teachers but it was open to whoever wanted to sign up, pay the fee and take test.

Dr. Nicodemus reiterated that the minimum that is expected of middle school math teachers is to answer 65% of the test questions correctly. Mr. Karlin commented that each of the test items did not necessarily aim at a particular level, but range from hard to easy. Dr. Nicodemus noted that if this test is taken by teachers with minimum entry level skills and knowledge to teach mathematics

what percentage of the questions are at the various levels of difficulty. Dr. Nicodemus asked why we would not want to have the kind of measurement that would indicate that the teacher had the minimum required competence to come into the classroom. Ms. Amator explained that the process they are going through now is establishing this criterion by establishing the passing score, using the middle school teachers to take the test and analyze each item allows them to filter out those items that are too difficult for middle school level and determining what is acceptable and what is too easy. Dr. Nicodemus added that she is concerned about what a low passing cut score represents and Ms. Amator responded that they have no way of knowing who signed up to take the first test. Mr. Karlin added that this reflects the performance of the teachers on the first section of the test Ms. Hilde stated her concern that middle school math teachers had to take high school competency tests that are at a higher level of math than what is required to be taught at the middle school level and Ms. Amator noted that this level is not indicated by a teacher when they register. Mr. Ary noted his concern regarding a cut score at this level for students in high school as well as his concern regarding the grammatical and English errors in the materials submitted to the State Board in this packet. He encouraged more responsibility in preparing these materials. Ms. Patty Hardy, Director, Title IIA, Arizona Department of Education, added that the current math scores for grades 7-12 is at minus-2 Standard Errors of Measurement (SEM) when all others were raised to recommendations because there was a substantial number of teachers who could not pass the exam. She added that the middle school math test was then developed with the hope of bringing the standard up over time. Superintendent Horne noted that there is a lot of work to be done as shown by these figures and if the cut score is set too high middle school teachers are recruited from elementary school and they may not be strong enough in content knowledge. He added that the content knowledge needs to be brought up but if the score is too high schools face an impossible task of meeting requirements. Mr. Horne stated that the ADE is intensely aware of the need for continuing education for teachers and the math initiative will be available to teachers in all schools in the state. Ms. Amator noted that the tests are offered six times per year, in June, July, September, and about every two months after that. Dr. Balentine noted that this is directly connected to the Highly Qualified teacher issue and stated that she is not interested in lowering the cut score but favors continuing education and multiple opportunities to take the test. Dr. Nicodemus asked if a teacher fails whether they can continue to teach and Ms. Amator responded that in order to be certified (provisional certification) the teacher has to pass the professional knowledge and content knowledge part of the test and the middle school test can be used on a 7-12 certificate and essentially is an add-on. She added that State Board rule says that a teacher is to be appropriately certified in their primary area of instruction but rule does not specify that they have to be removed from the classroom as long as they hold a valid teaching certificate. She added that they are encouraging districts to move forward in getting their staff appropriately certified. Ms. Amator added that NAU has AEPA tutoring available online and a professional development framework is also being developed. Ms. Deborah Singleton, Math Coordinator, Gilbert Public Schools, spoke in support of cut scores stating that the content is appropriate adding that teachers need to know the curriculum and the curriculum beyond the grade level they are teaching. She noted that the study guide seemed very similar to the real test and that she missed four. She added that they want their teachers to know more than their students. Ms. Shannon Ferguson, Math Specialist, Peoria USD, applauded the state's efforts to bring an assessment that brings credibility to the profession and fosters a challenge for teachers to make sure they have the necessary knowledge. She noted that she missed only one on the preparation test

and that the real test called for a depth of knowledge which was not based on instant recall. She stated that she felt questions on strand 2 were perhaps more difficult than are needed and that she is concerned about logistics and how teachers are going to be prepared. She noted that taking the test is expensive (\$60 for the test, \$35 for registration and after the test is passed there is a fee of \$60 to have this put on the certificate). Ms. Ferguson said they embrace the challenge and are looking at opportunities to continue learning.

Certification processing costs outlined by Ms. Hardy:

- Secondary certification, secondary professional knowledge and math is \$65 for content, \$75 for professional knowledge and \$35 for registration
- Elementary certification, elementary professional knowledge and elementary education to get the certificate to attach to the approved area and then middle grade math exam
- Working with institutions of higher education to insure graduates are leaving those institutions with a content emphasis
- When graduate comes to the ADE with an Institutional Recommendation in a SBE approved program, the certificate is \$30
- If graduation is not from a SBE approved program, the certificate fee is \$60 since they have to do a transcript evaluation

Dr. Balentine asked Mr. Yanez to combine a list of the required charges per statute and forward the clarification to members.

Superintendent Horne noted that later in the agenda there will be further discussion regarding the costs involved for teachers.

Mr. Lucero clarified that if re-certification comes up every six years and a provisional is for two years, then the test is taken only once unless the teacher wants to add other areas of expertise.

Ms. Mendoza noted that it is getting costly to get and maintain multiple teaching credentials. She also noted that if 58 is determined to be the passing score, that leaves 320 potential math teachers who have not passed the test and will have to take it again. Ms. Amator responded that if a teacher passed the math portion for grades 7-12 they don't have to take this test. She also noted that these teachers may already be appropriately certified and may be looking at adding math as another specialized area. Ms. Hilde stated that she is deeply saddened that some may not be able to teach without passing this test, but the test has been declared to be a fair assessment of the standards needed.

Motion by Superintendent Horne and seconded by Ms. Owen to approve the passing scores proposed of 52 multiple choice/5 constructed response, a 63% pass rate, for the Middle Grade Mathematics exam of the Arizona Educator Proficiency Assessment as presented. *Motion passes.*

*Dr. Nicodemus voted no.*

Dr. Nicodemus stated that she would be more comfortable if she could see an outline of the unintended consequences to the districts and as we look at the impact on grades 7-12.

#### G. Presentation, Discussion and Consideration to Initiate Rulemaking Procedures for R7-2-604, Regarding Professional Preparation Programs

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Academic Achievement, Arizona Department of Education, presented the information provided in the materials packet noting that the SBE had requested a review of these requirements. She noted that there were 25 members in the review team including members from ASU, UofA, NAU, utilizing the process approved by the SBE, adding that this has not yet been adopted into rule. Mr. Estes stated that this is not ready to be moved on as it is an important section and requires some further information regarding:

- Institutions demonstrating results of effectiveness in the field of graduates
- Definitions clarified
- Complete list of accrediting agencies

Mr. Estes noted that there are terms used in the rule language that have not been defined and that further study is needed before this rule package would be ready to open.

Ms. Hilde noted that there is unclear language in this document which could be misinterpreted by future SBE members. She noted that members could table this matter until August and/or could delegate this to the new Teacher Certification Advisory Committee. Superintendent Horne noted that today's request is to open the process and as the process is ongoing, specific concerns will be addressed. Dr. Balentine stated that she would be in favor of tabling the item. Mr. Yanez noted that if the SBE chooses to initiate the procedure any public hearing would satisfy the procedural requirements and if it is not initiated today and it goes to the TCAC then it would come to the SBE for initiation and two public hearing opportunities will be held. Mr. Yanez added that substantive changes are also possible when it comes to the SBE from the TCAC.

Dr. Sherry Markel, Professor and Administrator, Northern Arizona University, stated that they are going through changes in their programs that lead to certification and that the faculty at NAU have 100% buy-in as this is presented today. Ms. Hilde noted that the questions seem to be around the rule language rather than the process that has been developed.

Ms. Amator noted that there is a sense of urgency to get this process approved as it is not in alignment with the current rule. She added that their Division is working with the Attorney General's Office on language.

Motion by Mr. Estes and seconded by Mr. Lucero to table this item for at least 30 days to refine the language. *Motion passes.*

*The Board took a lunch break at 12:50 PM and reconvened at 1:30PM*

For further clarification, Ms. Amator noted that the professional knowledge test costs \$80; the substitute knowledge test costs \$70; and the test registration costs \$35, is charged by the testing company and is not received by the ADE.

Ms. Amator stated that a practice/sample math test and examples of the program approval process will be available for members after today's meeting.

H. Presentation, Discussion and Consideration to Initiate Rule Making Procedures for Provisional and Standard Teaching Certificates: R7-2-606, R7-2-607, R7-2-608, R7-2-609 and R7-2-610

Ms. Jan Amator, Deputy Associate Superintendent for Highly Qualified Professionals, Academic Achievement, Arizona Department of Education, presented the information provided in the materials packet noting that there is an ongoing review process with the Attorney General's Office regarding:

- Certificate renewal
- Tiered certification
- Reciprocity
- Administrative certificates
- Alternative paths

Ms. Amator noted that they need to change the language in R7-2-606 regarding professional assessment to reflect adoption of rules by the SBE in June 2005.

Ms. Amator added that in R7-2-607 regarding general certification provisions for Highly Qualified the federal requirement has several avenues in content but in state requirements there is only one

way to show content competency. She noted that the ADE is required to provide accurate data to the feds and that they need to implement this rule in order to document this category. She added that A.R.S. §15-533 requires a test for this provision; therefore this requirement could be added in "I" to make the requirement the same for in-state applicants as well as those coming in via reciprocity. She stated that they are asking the testing vendor to come together in September at the same time the rule is changed and noted the urgency to get these rules adopted at the same time the testing vendor puts the performance assessment online.

Ms. Amator noted that in R7-2-608 the language needs to cover a teacher holding one certificate to move to another certificate without going through an entire program.

Ms. Hilde noted that clarification is needed regarding the inclusion of alternative preparation programs attached to early childhood education and special education. She noted there were inconsistencies that are a change of language from the old to the new which should be cleaned up before being sent out for public review. Ms. Pollock added that the rule process can be opened and changes can then be requested or the SBE can request changes before initiating the procedure. Dr. Nicodemus noted that individual members can make changes but may be unaware of other members' changes, as they may not be seen collectively. Mr. Yanez reminded members that SBE sees the rules twice during the process when procedures are initiated and then when the rules are presented for adoption.

Further discussion ensued regarding time extensions for provisional certificates and other certification issues.

Ms. Amator added that there is a provision in the new rule to extend a one-time provisional certificate for three years and to get an elementary provisional or a secondary provisional one has to pass the test.

Dr. Nicodemus questioned the language in H3 and Ms. Amator clarified that this should state that after the extension, the test may be taken three more times.

Dr. Nicodemus noted the work of the ADE but added that individual members may still have concern and noted that she would favor tabling this item for clarification.

Superintendent Horne suggested that individuals may suggest changes which can be incorporated into the next draft that would be submitted to the public and SBE.

Ms. Amator noted that the ADE has accepted a contract and a vendor is ready to provide testing and there are some logistic snags in asking the testing company to wait until the rules are in place. She added that they could work with ETS regarding a postponement.

Regarding the special education requirements, Ms. Joanne Phillips, Deputy Associate Superintendent, Exceptional Student Services, Arizona Department of Education, stated that early childhood and early childhood special education certifications encompass pre-school and early childhood through age 8.

Dr. Balentine agreed to table this matter in order to ask the vendor to wait and perhaps come on line at the same time the rules become effective.

Motion by Dr. Balentine and seconded by Mr. Estes to table this matter for 30 days. *Motion passes. Dr. Nicodemus voted no.*

I. Presentation, Discussion and Consideration to Close the Rulemaking Record and Adopt Amendments to Board Rule R7-2-615, Regarding School Psychologist Certification

Mr. Vince Yanez, Executive Director, Arizona State Board of Education, presented the rule package provided in the materials packet which incorporates the public comment received to date. Mr. Yanez explained that two changes were incorporated into the rules to insure consistency with state statute:

- A school psychologist is required to hold a valid certificate issued by the State Board
- Addresses the school psychologist shortage by establishing an interim psychologist certificate
  - Allows an individual to substitute the completion of a doctoral program in psychology and a re-training program in school psychology to be eligible for certification
  - Allows an individual to substitute a valid school psychologist certificate from another state in place of a completion of a graduate program in school psychology

Mr. Yanez stated that the following changes were made as a result of the public hearing held on March 6, 2006:

- In subsection C(3)(b) three years' experience as a certified school psychologist within the last ten years will be allowed to be substituted for the internship requirement; and
- In subsection C(4) 5 years' experience within the last ten years working as a school psychologist, or completion of a graduate school psychologist program or a diploma in school psychology from the American Board of School Psychology were added

Mr. Yanez noted one additional change being proposed today would amend the wording in C4 to read that any of the following may be substituted for the "requirement" described in C(3)(b), which eliminates the wording "completion of a program".

Ms. Hilde suggested adding in subsection B(2)(c) the issuing agency of fingerprint clearance cards, which is the Arizona Department of Public Safety.

Motion by Ms. Kramer and seconded by Mr. Estes to close the rulemaking record and adopt amendments to R7-2-615 relating to school psychologist certification as amended. *Motion passes.*

J. Presentation, Discussion and Consideration to Close the Rulemaking Record and Adopt Amendments to Board Rule R7-2-617, Regarding Certificate Alignment

Mr. Vince Yanez, Executive Director, Arizona State Board of Education, presented the information provided in the materials packet noting that this was a practice for several months and ultimately rejected, but today's action would put this back into rule. He noted that there was some concern regarding the elimination of the grace period allowing a teacher to come back and apply for renewal without having to apply for initial certification and this allows the rule to remain and adds clarification that a teacher cannot be in the classroom during that period. He noted that this has been interpreted in different ways by schools/districts and this will clarify any misgivings. Mr. Yanez added that a technical change in section B will change "...shall imply that a certified individual..." to "...shall imply that an individual...".

Motion by Ms. Mendoza and seconded by Mr. Lucero to close the rulemaking record and adopt the amendments to R7-2-617 relating to certificate alignment as amended. *Motion passes.*

*Dr. Balentine excused herself from the remainder of the meeting at 2:10 PM*

K. Presentation, Discussion and Consideration to Approve the Articulated Alternate Grade Level Academic Standards for Reading, Writing, Science, and Math

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, presented the item as provided in the materials packet noting that this is for the 1% special education population of Arizona.

Dr. Nicodemus asked that the wording not be traumatic to the AIMS and special education population and Ms. Alley responded that they will address these issues and those regarding students' needs.

Ms. Joanne Phillips explained that many special education students can learn if the verbiage is adjusted to their learning level.

Ms. Alley noted that every child must be assessed under NCLB and the IEP will provide guidance as to what program will be provided and how each student will be assessed at the end of the year. Superintendent Horne noted that it is utterly irrational to put a test in front of a child who can't understand it.

Motion by Ms. Mendoza and seconded by Ms. Kramer to approve the articulated alternate grade level academic standards for reading, writing, science and math. *Motion passes.*

L. Presentation, Discussion and Consideration to Approve the Performance Level Descriptors for the AIMS Alternate Assessment (AIMS-A)

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, presented this item as per the information provided in the materials packet noting that this is how a student will look as they perform in AIMS-A as this mirrors what is in AIMS.

Motion by Mr. Lucero and seconded by Dr. Nicodemus to approve the performance level descriptors for AIMS-A as presented. *Motion passes.*

M. Presentation, Discussion and Consideration to Approve the Performance Level Descriptors for Science

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, presented the information in preparation for the 2008 AIMS assessment noting that it will be field tested in Spring 2007. She added that the feds are asking us to have PLDs in place prior to the assessment but that we may need to make some changes after the assessment.

Motion by Mr. Ary and seconded by Mr. Estes to approve the AIMS performance level descriptors for grades 4, 8, and high school life science as presented. *Motion passes.*

N. Presentation and Discussion Regarding Standard Setting for Alternate Assessment, AIMS-A

Ms. Roberta Alley, Deputy Associate Superintendent, Assessment Division, Arizona Department of Education, presented the proposal as provided in the materials packet. She noted that the Peoria School District has offered space in one of their schools to be used for this process, which will be similar to the book marking process used for AIMS. She added that Dr Steve Elliot, Vanderbilt University, will be working closely with ADE in this process. She invited SBE members to observe and noted that they would be assigned to various rooms in compliance with the open meeting law.

Ms. Alley noted that in order to move this forward for the coming year, approval will be necessary at the June 2006 SBE meeting as the feds are asking that all regulations be in place by the end of June.

O. Presentation and Discussion Regarding the Arizona Department of Education Tutoring Program

Dr. Karen Butterfield, Associate Superintendent, Academic Achievement, Arizona Department of Education, presented the information provided in the materials packet and introduced Ms.

Konitzer. Ms. Nancy Konitzer, Deputy Associate Superintendent, Academic Achievement Division, Arizona Department of Education, presented the SBE's requested update regarding the tutoring program, noting that this is part of the accountability statute, A.R.S. §15-241, which provides tutoring funding. She noted the following information:

- 684 took advantage last year at 46 high schools in 35 districts/high schools
- This is strictly for high school students as they were not identified until December 15

- About \$67,000 was drawn from the tutoring fund
- They have met with President Hilde and Ms. Mendoza to work out issues for this year's second semester
- Need to try to get more participation as money does not revert and there is over \$7M still available
- Parent permission for participation was changed to a verbal approval
- Previously the provider had to guarantee in writing a certain level of performance and if performance was not met the tutor didn't get paid. The following amendments have been made to the contracts:
  - omit "school districts"
  - increased amount and number of hours of participation
  - format of contract
  - contract with ADE was simplified
  - required pre- and post-test
  - tutor can enter scope of tutoring and indicate progress made in order to receive payment
  - enlisted assist coaches and staff to advertise program to those who were eligible
- Results:
  - 3445 students participated this semester
  - 763 tutors
  - \$900,000 to be paid out including \$152,000 to a private provider, Campfire USA
  - 89 districts participated
  - 19 paid by grant that they use to pay tutors; remaining are districts
  - 144 total schools participated
    - 10 of these were underperforming
  - 114 high schools are better
- Evaluation:
  - Request Research & Evaluation to perform evaluation of students
  - Student can now participate if attending an underperforming school and if you are a high school student that failed test
  - Had a large back-up of information to enter into system which is now down to approximately 50 that need further clarification before being entered
  - Working diligently in getting completed information from tutors/teachers
  - Meeting with tutors and district personnel to gather recommendations of how to streamline the process
  - ADE is doing everything possible to get the information to all students who are eligible for tutoring

Further discussion ensued regarding whether each student could be contacted individually and whether the tutors are now able to tutor during the day when students are required to be in school. Ms. Konitzer responded that tutoring is allowed during school hours if not conducted during a regular required curriculum class.

Superintendent Horne took exception to the suggestion that every effort is not being made from both sides noting that the ADE has done the following:

- Set up focus groups
- Asked students who took tutoring whether it was helpful
- Asked kids why they didn't take tutoring

- Worked to help all students who failed

Mr. Ary asked that in addition to these efforts, that we continue to strive to make the best, better. Dr. Nicodemus stated that she is interested in looking at the regions in the state where the tutoring fell out and where those that don't complete AIMS successfully are. She wondered whether the balance of the monies still will be available or whether they will revert to the State and Ms. Konitzer responded that of the \$7M available, close to \$1M will be spent and after July 1 another \$1.5M will be available. She added that there will probably still be some underperforming schools to service and changes made by legislature for the next year may allow an option to spend monies for materials. She also noted that this has been extended to the 8<sup>th</sup> grade as well, per SBE suggestion, and will come into effect this coming year.

Ms. Mendoza noted that the low participation could be due to students just being teenagers, but that it is shocking to hear kids ask what they can do to graduate and some of the requirements and/or opportunities may not truly be understood by some students until the very last minute. She noted that some issues can be addressed but restrictions are placed on the funding making the outreach limited in some ways.

Ms. Owen suggested that more embedding into the school day may improve participation.

Dr. Nicodemus suggested that alternate ways be considered with the moneys available.

Ms. Owen noted that a student suggested that the use of "test prep" would be more acceptable wording to students rather than "tutoring".

Dr. Nicodemus noted her interest in seeing the outcome of the focus group reports (focus groups consist of students who have failed as well as some tutors). Ms. Konitzer noted that the GrowNetwork, Inc. is compiling a report. Ms. Hilde suggested that Mr. Lennie Allsbrook and Mr. Jack Erb be included in the focus group and Superintendent Horne noted that he wrote a letter to each student that failed, sent the letters to the schools and requested the schools to give the letters to the students/parents.

Ms. Hilde asked Ms. Konitzer to compile a comprehensive report that includes all the information in this program and Ms. Owen noted that the ADE has done a phenomenal job.

Ms. Konitzer continued by noting that as much of the preliminary data that is available will be finalized and provided to the SBE by the end of June, which will include 8<sup>th</sup> graders that did not pass. She emphasized that the repayment feature has been removed from statute and in its place is "annually review academic performance levels for provider subject to this subject and may remove a provider if that provider fails to meet its projected goal". She added that the new RFP for private providers will be forthcoming. Ms. Konitzer commended the ADE IT department in setting up the program for students/tutors to access the site and enter pertinent information.

#### P. Presentation and Discussion Regarding Early Childhood Assessments

Ms. Karen Woodhouse, Deputy Associate Superintendent, Early Childhood Education, Arizona Department of Education, presented the provided information regarding the need to adopt assessments, monitor progress and measure outcome indicators. She noted that the content in early learning is to make sure all government standards are included.

Dr. Nicodemus noted the programmatic improvement suggested and observed that the RFP calls for testing and costs of price per test, noting that at the early ages this may take away from the childhood of the student. Ms. Woodhouse responded:

- They identify a metric to capture essential information
- Have the responder identify certain things
- Gain a way of comparing the cost between respondents
- Focus on appropriate responses of 3-5 year olds

- Occasionally may be asked to join an administrator but strive to make a non-threatening environment for the child

Ms. Hilde asked about assessing non-English speaking children, how they differentiate between a lack of understanding and developmentally delayed. Ms. Woodhouse responded that this is an appropriate assessment of all children, with all ranges of ability, and does not intend to identify those who can't, but will identify those who can. She added that a child with a large vocabulary no matter what language will be assessed in their primary language. Ms. Owen noted that Navajo mothers don't always speak, but a child may learn by a look from their mother, or in other ways that differ from being talked to or read to, etc. Ms. Woodhouse noted that they are looking at many other areas as well as language and literacy, including social and emotional development, physical development, whether the child is communicating in other ways, etc.

## 5. CALL TO THE PUBLIC

There were no additional requests to speak at this time.

## 6. CONSENT AGENDA

- A. Consideration to Approve State Board Minutes
  1. April 24, 2006 Regular Meeting
  2. April 26, 2006 Special Meeting
  3. April 26, 2006 Executive Session
- B. Consideration to Approve Contract Abstracts
  1. U. S. Department of Education, Title II, Teacher Quality Enhancement Grant
  2. WIA; Adult Ed and Family Literacy Act, (P.L. 105-220), A.R.S. § 15-234, Arizona State Plan for Adult Education
  3. WIA; Adult Ed and Family Literacy Act, (P.L. 105-220), A.R.S. § 15-234, Arizona State Plan for Adult Education
  4. CSR, Department of Education, Public Law, 107-110
- C. Consideration to Approve Authorization of Alternative Secondary Path to Certification Pilot Sites
- D. Consideration to Approve the Financial Responsibility Plan for Nogales Unified School District
- E. Consideration to Approve Requests to Budget and Accumulate in the Unrestricted Capital Section for:
  1. Piñon USD - Retroactive Request for FY 04-05
  2. Piñon USD - for FY 05-06
  3. Sanders USD - for FY 06-07
  4. Whiteriver USD - for FY 06-07
- F. Consideration to Approve the Acceptance of Funds for Early Childhood Education Conference, Pursuant to A.R.S. § 15-204
- G. Consideration to Approve the Structured English Immersion Training for the Full SEI Endorsement
- H. Consideration to Approve the Funding for the Local Wellness Policy State Agency Grant
- I. Consideration to Approve the Arizona Native American Dropout Prevention Initiative (USDOE Discretionary Grant)
- J. Consideration to Approve Teacher Evaluation System Verifications for FY 2006-2007

- K. Consideration to Approve Academic Contest Funds Pursuant to A.R.S. § 15-1241 and A.A.C. R7-2-313
- L. Consideration to Accept the Recommendations of the Professional Practices Advisory Committee and Approve Certification for Timothy Lillie, Case No. C-2006-014 R
- M. Consideration to Accept the Voluntary Surrender of the Teaching Credentials of Jeffrey Duncan, Case No. C-2006-029

Motion by Mr. Estes and seconded by Ms. Kramer to approve the Consent Agenda with the exceptions of Items E1, E2, and 6B which were pulled for further discussion and/or clarification. *Motion passes.*

**Item 6B** was pulled so Dr. Nicodemus and Ms. Owen could abstain from the vote. Ms. Pollock advised that members may abstain from voting on the entire consent agenda or may pull an item and abstain. Motion by Mr. Estes and seconded by Mr. Ary to approve the State Contracts as presented. *Motion passes.*

**Item 6E1 and Item 6E2** pulled by Mr. Estes

Mr. Lyle Friesen, Legislative Advisor, School Finance, Arizona Department of Education, noted that the deadline for this request was May 15, 2006 which would allow the district to increase its budget by approximately \$5M based on the ending balance from the financial budget. Mr. Friesen added that these requests are complex in that for FY 04-05 the district has expended the money for which they did not have permission and for FY 05-06 we do not have accurate reports. Mr. Friesen added that he believes the district has expended at least part of these funds. He also added that in the past the district made the same request and was denied due to USFR non-compliance issues and at this time the district is in compliance with the USFR. Mr. Friesen noted that if this expenditure is approved the district may be back in front of the SBE for over-expenditure. Mr. Larry Wallen , Superintendent, Piñon USD, reiterated that the district asked for a 90-day extension in November 2005 and in February 2006 he discovered that the district had not submitted the letters of request to accumulate. He also noted that in FY 04-05 the district spent \$8M and to date has spent approximately \$6M. He added that in the corrective action stage it was not possible to renovate the high school and an auditorium and practice gymnasium and other smaller projects. Mr. Wallen cited the following statistics regarding Piñon USD:

- 1400 students
  - 400 in high school
- First to build school under Students First
- Finished a new elementary school two years ago
- 125 teachers
- 200 employees

Ms. Hilde asked whether the previous business manager and superintendent are working in a public school setting in Arizona and noted that the SBE is continually frustrated with these kinds of situations. She asked the Investigative Unit to attach a letter detailing malfeasance to the previous business manager and superintendent's certificates. Mr. Wallen noted that the outside auditing firm is still working with the district in finding out what happened.

Ms. Mendoza asked what happens if the SBE doesn't approve the expenditures and Ms. Pollock responded that if the district has exceeded the spending limit, the SBE shall reduce the amount of state funding equal to the excess expenditures over the next two years.

Further discussion ensued regarding the district's situation, the standings of the schools, i.e. performing, underperforming, etc., and the lack of revenue control limit.

*The Board took a brief break at 3:55PM and reconvened at 4:00PM*

Discussion continued with Mr. Wallen's response:

- Years ago there was a lawsuit to get money back when it was held in a similar situation
- Subsequent legislation noted that impact aid moneys can be withheld and these are the funds that the district uses for buses, buildings, etc.

Ms. Hilde stated that this is also an Arizona issue and that Piñon USD is asking permission to bank and spend retroactively that which has already been spent. She stated that there is no option at this time rather than to approve this request and asked Mr. Yanez, Ms. Pollock and Mr. Friesen to come up with a decision regarding those who don't follow the rules and to look at ways the \$10.471M total could be part of the M&O budget.

Motion by Mr. Estes and seconded by Mr. Ary to approve budgeting and accumulating in the unrestricted capital section for Piñon USD for FY 2004-2005 retroactively and FY 2005-2006.

*Motion passes.*

**Item 6K** pulled by Mr. Ary

Ms. Adria Lugo, presented the item stating that this is to allow regional competitions and that these funds are not available to charter schools according to statute. Ms. Mendoza noted that her school had two teams at Odyssey of the Mind and the charter schools had to pay all the expenses. She confirmed that charter schools are not included in the statute and Ms. Hilde asked Mr. Yanez and Ms. Lugo to pursue adding this language to statute.

Ms. Owen stated that she would like to see the financial differences between district schools and charter schools.

Motion by Mr. Ary and seconded by Ms. Owen to approve the disbursement of Academic Contest Funds to the districts listed. *Motion passes.*

7. ADJOURN

Motion by Dr. Nicodemus and seconded by Mr. Estes to adjourn. *Motion passes.*

*Meeting adjourned at 4:15PM.*