

Minutes of the Meeting of the
STATE BOARD OF EDUCATION
OLIVER HODGE EDUCATION BUILDING:
2500 NORTH LINCOLN BOULEVARD, ROOM 1-20
OKLAHOMA CITY, OKLAHOMA

March 24, 2011

The State Board of Education met in regular session at 9:30 a.m. on Thursday, March 24, 2011, in the Board Room of the Oliver Hodge Education Building at 2500 North Lincoln Boulevard, Oklahoma City, Oklahoma. The final agenda was posted at 9:20 a.m. on Wednesday, March 23, 2011.

The following were present:

Ms. Connie Holland, Chief Executive Secretary
Ms. Terrie Cheadle, Administrative Assistant

Members of the State Board of Education present:

State Superintendent Janet Barresi, Chairperson of the Board
Mrs. Sue Arnn, Ardmore
Ms. Gail Foresee, Shawnee
Mr. Tim Gilpin, Tulsa
Mrs. Betsy Mabry, Enid
Ms. Gayle Miles-Scott, Oklahoma City (arrived at 10:10 a.m.)
Mr. Herb Rozell, Tahlequah

Others in attendance are shown as an attachment.

**CALL TO ORDER
AND
ROLL CALL**

Superintendent Barresi called the State Board of Education meeting to order at 9:30 a.m. and welcomed everyone to the meeting. Ms. Holland called the roll and ascertained there was a quorum.

**PLEDGE OF ALLEGIANCE, OKLAHOMA
FLAG SALUTE, AND MOMENT OF SILENCE**

Superintendent Barresi led Board members and all present in the Pledge of Allegiance to the American Flag, and a salute to the Oklahoma Flag, and a moment of silence.

**FEBRUARY 24, 2011 REGULAR BOARD
MEETING MINUTES APPROVED**

Board Member Gilpin motioned for approval of the minutes of the February 24, 2011, regular Board meeting. Board Member Rozell seconded the motion.

Superintendent Barresi said she had a point of order that the text of the transcription of the minutes is accurate as was recorded; however, some of the discussions regarding the finances at the end of year budget were possibly not accurate. Therefore, she asked Ms. Jill Geiger, State Budget Director, to provide more information on the budget request negotiations, and finance situation for FY2012.

The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Mrs. Mabry, yes; and Senator Rozell, yes.

Board Member Gilpin asked if the presentation was under agenda item 3 (a)?

Superintendent Barresi said yes.

Ms. Jill Geiger, State Budget Director, Office of State Finance, presented a funding brief for the State Department of Education which included: the *American Recovery and Reinvestment Act of 2009* (ARRA), Race to the Top Competitive Grant; State Longitudinal Data Systems; Title I School Improvement Grants formula to states and competitive for districts; Title I Recovery Funds; IDEA Parts B and C; State Fiscal Stabilization Fund (SFSF) and additional ARRA funded programs.. She said there were numerous programs that became available with the passage of ARRA, and some were competitive, formula based, or required Governors to submit applications with legislative authorization. The SFSF program dollars required the Governor to submit an application and legislation. Oklahoma received approximately \$578 million in SFSF dollars. The Governor and Legislature allocated 82 percent to state education agencies and 18 percent was at the Governor's discretion. The actual action taken by the Governor and Legislature in budget negotiations for FY2010 initially was \$167 million for the SDE and

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later provided a supplemental authority increase of \$37 million for FY2010. They provided for FY2011 the authority amount of SFSF-education stabilization fund-phase II was \$139 million. It was previously reported \$169 million at the February 2011 State Board meeting.

Board Member Gilpin asked if the SDE was appropriated \$167 million for FY2010.

Ms. Geiger said yes. The SDE was authorized by the Legislature to expend \$167 million for the budget.

Board Member Gilpin asked was that amount for the SDE or for education in general?

Ms. Geiger said the funds were for public schools and use for administrative purposes was prohibited.

Board Member Gilpin asked when you say 'the department of education' is that an appropriate title?

Ms. Geiger said the mechanism of funding from the Legislature to school districts is to funnel funding through the State Department of Education. The funds are specifically prescribed with a purpose. The purpose for these particular funds was for the financial support of public schools. These funds would automatically go through the state aid formula.

Board Member Gilpin said the \$167 million is for schools and not for this building or the SDE?

Ms. Geiger said absolutely.

Board Member Gilpin asked is there is a supplemental of \$37 million for schools not for the building or SDE?

Ms. Geiger said correct.

Board Member Gilpin asked if the FY2011 authority is \$139 million which is for the schools at this time?

Ms. Geiger said the \$139 million is for the schools this current fiscal year, FY2011.

Board Member Gilpin said there was big drop.

Ms. Geiger said there was a significant drop.

Board Member Gilpin asked what was the difference lost?

Ms. Geiger said she would not call it a loss but the amount authorized by the Legislature was significantly lower. Higher Education also had a drop as well even though not as significant as the SDE.

Board Member Gilpin said the supplemental for FY2010 and FY2011 calculates to a total of \$204 million. He asked if the \$139 million for FY2011 is subtracted will common education lose \$65 million?

Ms. Geiger said FY2010 ended June 30, 2011, so it would not be appropriate to say there was a \$65 million loss. It could be said there is a loss of the one-time federal funding. That one-time amount of SFSF did increase in FY10 to FY11. The overall budget picture has a lot more revenue sources for this agency.

Board Member Gilpin asked how does this compare to the budget this Board sent to the Legislature in December 2010?

Ms. Geiger said this Board did not consider the State Fiscal Stabilization Funds. The SFSF-Education Services Fund (ESF) authority breakdown is strictly referring to stabilization funds.

Board Member Gilpin asked this is just about federal stabilization funds?

Ms. Geiger said the SFSF-ESF authority breakdown was being presenting for this piece of federal monies only.

Board Member Gilpin said are there other pieces to the stabilization funds?

Ms. Geiger said there are multiple pieces. The agency receives and funnels a number of federal dollars to school districts.

Board Member Gilpin asked are they also stabilization funds?

Ms. Geiger said this is the education services portion of the SFSF, which is 82 percent of the overall SFSF piece. The reason she presented this piece is due to the fact the FY2011 authority was reflected as \$169 million in the minutes of the February 24, 2011, State Board meeting. The accurate FY2011 authority was \$139 million.

Board Member Gilpin said it is less.

Ms. Geiger said yes, less than what was reported at the last Board meeting.

Board Member Gilpin asked when will the SDE receive the funds?

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Ms. Geiger said currently school districts are authorized to draw down and have been throughout the fiscal year and the last fiscal year.

Board Member Gilpin asked do we now have the FY2011 \$139 million?

Ms. Geiger said school districts have been using it. She said the SFSF-ESF authority breakdown presentation shows how the Legislature treats the same SFSF-ESF money different. It is in a general appropriations bill and the authority has to be made by statute in Senate Bill 1561, Section 6 in the 2010 Legislative Session. The Education Jobs Funds passed August 2010 by the federal government and is not a program of the ARRA. It has specific uses as well for school districts to create and retain jobs.

Board Member Gilpin asked the short name for this is Ed Jobs?

Ms. Geiger said yes. Ed Jobs funds can be used in the current fiscal year or FY2012. The total award for Oklahoma is \$119 million but the law allows a state education agency to retain up to two percent of the funds. The SDE retained the two percent leaving \$117 million in the fund. , As of March 18, 2011, school districts have only drawn down 18.3 percent and another draw down will occur Friday, March 23, 2011. The amount will be 21.5 percent of the overall allocation. The OSF nor the SDE has control over the draw downs, although both are the fiscal conduits and it appears schools districts are intending to save the bulk of the allocation for the next fiscal year.

Board Member Gilpin asked if the school districts report the information to the SDE?

Ms. Geiger said yes. School districts apply to the SDE and the SDE submits to the OSF an aggregated draw down request The OSF draws down and transfers money to the appropriate fund at the SDE which goes through the state aid formula to the school districts.

Board Member Gilpin asked would someone from the SDE finance division be able to specifically address it?

Mr. Jack Herron, Assistant State Superintendent, Finance Division, asked if Board Member Gilpin's question was regarding the draw down and spending of Ed Jobs money?

Board Member Gilpin said yes.

Mr. Herron said school districts have expended approximately \$86 million of the \$116,992,426.40. The accumulative balance is \$97 million. Many schools have issued multiple claims which the SDE processes through a double check system before making payments. School districts have the option to spend or save the money.

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Board Member Foresee said some schools may have saved the money, but basically most have spent their entire amount?

Mr. Herron said yes.

Board Member Gilpin asked how does the SDE know if the money has been spent?

Mr. Herron said the school districts specify what fund the money is for when issuing claims to draw down funds. The SDE does not assure funds are spent on what has been claimed, however, the schools will be audited at a later time on all monies claimed.

Board Member Gilpin asked if schools are planning for state cuts in this coming budget year, how does one know if schools are holding the money anticipating cuts, or if the money is spent on current expenses?

Mr. Herron said that is difficult to determine, however, once the money is spent for whatever reason, it is money that did not come from their general fund. School districts do have a plan on how their finances will be spent.

Board Member Gilpin asked is a reporting mechanism in place that indicates if federal funds are being held or spent?

Mr. Herron said no.

Board Member Gilpin asked if the Legislature cuts common education significantly, do we know if these federal funds are going to be available to help them or have the funds already been used for past budget cuts?

Mr. Herron said it is up to the local school districts, how they are using the money and what their plans are for the next year.

Board Member Gilpin asked is there any way to know if school districts are holding the funds?

Ms. Geiger said only what is drawn down year-to-date of the total allocation which is 18.3 percent.

Board Member Gilpin asked does that include every district in the state?

Ms. Geiger said every district as of tomorrow, would have drawn down 21.5 percent of the full allocation.

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Board Member Gilpin asked would you know what percentage of the 21.5 is for Tulsa Public Schools?

Mr. Herron said Tulsa Public Schools had \$7 million in allocations and have budgeted \$2 million, therefore whatever they have claimed and drawn down is what has been paid.

Board Member Gilpin said his concern is if the districts will be hit hard by the coming cuts or if they have saved money.

Mr., Herron said at this time it is extremely difficult to answer that question.

Ms. Geiger reviewed the starting appropriation point of Governor Fallin's FY2012 budget in the amount of \$2,378,356,186 and the purpose of each appropriation. All appropriations for financial support of public schools go through the state aid formula. Public school activities appropriations fund the teacher retirement credit or flexible benefit allowance for teachers and support staff and many other programs usually delineated by the Legislature in a limits or directive spending bill, which was absent this year. Admin and support appropriations are for the building's operational budget, school consolidation, teacher's retirement, lottery sources, and instructional materials.

Board Member Gilpin asked Ms. Geiger if the building's operational budget was actually for the department employees throughout the state?

Ms. Geiger said yes for the operation of the SDE. The Governor's Service Fund of the SFSF allocated an additional \$2.8 million, which is within the total SDE allocation to be used for IT services/student information system. Governor Fallin shielded the SDE budget and only allowed a 2.9 percent cut.

Board Member Gilpin said comparing apples to apples, what the Legislature appropriated to the SDE in the current fiscal year and what the Governor is proposing will be for the entire education budget?

Ms. Geiger said it is for the SDE which includes the state aid formula to school districts. One-time federal dollars will not be replaced, therefore Governor Fallin is proposing to replace the one-time federal dollars with state dollars and hold the SDE and school districts harmless for that funding cliff.

Board Member Gilpin asked if the SDE received dollars for Ed Jobs, federal stabilization funds, and the Governors proposal amount to \$139 million.

Ms. Geiger said this budget does not consider Ed Jobs. The \$139 million is built into the stabilization dollars base and the Governor's proposal holds the agency harmless and actually reduces \$71 million from the overall funding amount that was decided upon

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in budget negotiations. The SFSF were a part of that so the Governor is effectively replacing those one-time federal dollars with state dollars.

Board Member Gilpin asked about the \$ 119 million Ed Jobs funds.

Ms. Geiger said Ed Jobs funds were not considered in the budget process.

Board Member Gilpin said the Governor's budget proposal will take out \$71 million and not add the \$119 million Ed Jobs money.

Ms. Geiger said she did not think it was a fair assertion. It does appear districts are saving the bulk of the funds because three-quarters into the fiscal year the district's have not claimed a quarter of the funds.

Board Member Gilpin said he is trying to understand. There is \$71 million less in the Governor's proposal, FY2011 ends June 2010, the federal government gave \$119 million in Ed Jobs money (August 2010), and the federal government will not issue more funds this summer, FY2011. We do not know when or if the districts have spent the money except what has been drawn down. In theory the remaining funds could be drawn down before the summer of 2011?

Ms. Geiger said yes. It would result in a hefty general fund balance for the districts to carryover.

Board Member Gilpin said the Governor took into account \$139 million in stimulus funds.

Ms. Geiger said the Governor and Legislature authorized the amount the agency was able to expend for each of the fiscal years those funds were available. There will not be another \$119 million in the coming fiscal year. Districts might have a healthy balance from which they can draw down and expend.

Board Member Gilpin said he understood the district draw down and if that was the confusion from the last meeting?

Superintendent Barresi said there was confusion on the part of some superintendents that generated phone calls. She appreciated the Board's indulgence on this issue. It is a good idea for everyone to be on the same page.

Board Member Gilpin said understandably the \$119 million was one-time funding and school districts are aware that the money they had available last year will not be available next year.

Ms. Geiger said that is true, but on the other side of the one-time federal coin, if she were at a school district looking at the Governor's proposed budget she would think

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the Governor is holding the school districts harmless for the larger of those two pots of one-time funding in the SFSF.

Board Member Foresee said if all the school districts had spent \$119 million they would be in an awful situation, but luckily, at this time, they all have not spent all the money.

MARCH 17, 2011 SPECIAL BOARD MEETING MINUTES APPROVED

Board Member Mabry motioned for approval of the minutes of the March 17, 2011, special Board meeting. Board Member Rozell seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

STATE SUPERINTENDENT

First-Year Superintendents

Superintendent Barresi introduced the first-year superintendents attending the meeting were Mr. Jeff Daugherty, Superintendent, Merritt Public Schools; Ms. Rita Ford, Superintendent, Eufaula Public Schools; Ms. Sandy Harper, Superintendent, Grover Public Schools; Ms. Darsha Huckabaa, Superintendent, Pauls Valley Public Schools; Ms. Karen LaRosa, Superintendent, Monroe Public School; Mr. Micky Lively, Superintendent, Mangum Public Schools; and Mr. Josh Sumrall, Superintendent, Coyle Public Schools.

Recognition of Jennifer Evans-Lowery, Fifth Grade Teacher, Highland Park Elementary School, Midwest City-Del City Public Schools, as Recipient of the 2010 Milken Family Foundation National Educator Award

Superintendent Barresi recognized Ms. Jennifer Evans-Lowery, the 2010 Oklahoma Milken Family Foundation National Educator Award winner.

Dr. Jennifer Watson, Team Leader, Office of Standards and Curriculum, said the Milken Educator Award is hailed as the "Oscars of Education". Mr. Lowell Milken of the Milken Family Foundation created the award to recognize exemplary teachers and honor them with \$25,000. In 1987 the first award was presented to twelve California teachers and since that time more than 2,500 teachers, principals and specialists have been honored. Oklahoma became a member of the Milken Program in 2000, and 24 Oklahoma teachers have received the award. Dr. Watson said Ms. Evans-Lowery is the Oklahoma finalist for the Presidential Awards for Excellence in Mathematics and Science Education.

Ms. Evans-Lowery thanked the State Board of Education and said she was pleased to represent Oklahoma with the Milken Family Foundation Award and the Presidential Awards for Excellence in Mathematics and Science Education. Ms. Evans-

Lowery's family members were present. Also present were Ms. Jackie Ardrey, Milken Family Foundation, Dr. Donna Cloud, Principal, Highland Park Elementary School, Midwest City-Del City Public Schools, Mr. Bill Scoggins, Superintendent, Midwest City-Del City Public Schools.

Report on Department Activities

Superintendent Barresi informed Board members the 2009-2010 audit exit report was received yesterday, and the audit recommendations are currently being worked on.

Board Member Miles-Scott asked if Board Members will receive a copy of the exit report?

9:02:49 Superintendent Barresi said yes. The Department reorganization is moving forward. In the Fiscal Services Division new purchasing procedures are being implemented as well as refinements for more efficient and effective claims processing resulting in timely payments. At the April 28, 2011, State Board meeting a more detailed report on the Department reorganization, legislation work, and school district updates will be provided.

CONSENT DOCKET APPROVED

Discussion and possible action on the following deregulation applications, statutory waivers, and exemptions for the 2010-2011 and 2011-2012 school years, and other requests:

- (a) **Allow Two School Days in a 24-Hour Period – 70 O. S. § 1-111**
Perry Public Schools, Noble County
Pickett Center Public School, Pontotoc County
Piedmont Public Schools, Canadian County
Quinton Public Schools, Pittsburg County
Soper Public Schools, Choctaw County
Allen Public Schools, Pontotoc County
Calera Public Schools, Bryan County
Healdton Public Schools, Carter County
Marietta Public Schools, LeFlore County
Porter Consolidated Public Schools, Wagoner County
Porum Public Schools, Muskogee County
- (b) **Noncertified Substitute Teachers - 70 O. S. § 6-105**
Allen Public Schools, High School, Pontotoc County
- (c) **Library Media Specialist Services – OAC 210:35-5-71 & 210:35-9-71**
Sweetwater Public Schools, Roger Mills County
- (d) Request approval of Great Expectations Summer Institute scholarships for FY2012

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- (e) Request approval on waiver of FY2010 General Fund Balance penalty for Wilburton Public Schools, Latimer County, Kiowa Public Schools, Pittsburg County and Leedey Public Schools, Cheyenne Public Schools, Sweetwater Public Schools, and Hammon Public Schools, Roger Mills County – 70 O. S. § 18-200.1
- (f) Report on Department personnel changes

Board Member Mabry said on item 5(a) Allow Two School Days in a 24-Hour Period, after reading the ‘duration of waiver’ she realized there are requests for this statutory waiver every month. It is a great idea and the requests are not usually denied because it is for parent/teacher conferences which benefit the parents. Would it be possible to change the law so that it could be a local district decision and require districts apply for a statutory waiver through the State Board?

Superintendent Barresi said she understood Board Member Mabry’s concern and would visit with the Legislature leadership and report back to the Board. She said she appreciates the efforts of school districts being available at night in order for parents to come to meetings.

Board Member Mabry said the library media specialists waivers appear many times and is also a concern. These requests should be closely reviewed because people do not realize the resource a library media specialist can be to an entire school. It saddens her when a superintendent writes this type arrangement will prevent them from having to hire a half-time librarian. How do you change that mindset? Education dollars are precious but most precious still are the resources that are being providing for public school education children.

Board Member Gilpin said denying the request would change the mindset.

Board Member Foresee motioned to approve Consent Docket items 5(a) through (f) with the exception of (c). Board Member Arnn seconded the motion. The motion was carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; Mrs. Mabry, yes; and Senator Rozell, yes.

Board Member Foresee said she understood the concern but also understood the reason for the waiver request

Ms Perri Applegate, Executive Director, Instructional Support, said she talked with the Superintendent at Sweetwater Public Schools. They have had a difficulty finding a person to work half-time only. However, they are utilizing the person they have to cover multiple places and also teach.

Superintendent Barresi said she will ask staff to investigate and discuss the request with the superintendent to provide more detailed information.

Board Member Rozell motioned to approve Consent Docket item 5(c) and Board Member Mabry seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

LEGAL SERVICES DIVISION

Adoption of Permanent Rules Approved

Ms. Belinda Tricinella, Legal Counsel Assistant, presented a request for permanent adoption of the following rules:

Title 210: Chapter 15. Curriculum and Instruction; Subchapter 13. Special Education – pertains to the Lindsey Nicole Henry Scholarships for Students with Disabilities Program

Superintendent Barresi said she inserted additional language to the rule because some of the references and timelines were not clear enough which could lead to misinterpretation.

Board Member Rozell asked if this was the program some schools did not want to participate and was there a ruling?

Superintendent Barresi said there was discussion with the Attorney General's Office and to date, all of the school district boards have rescinded their refusal to comply and are currently in compliance. There is also some cleanup legislation that will clarify the misunderstanding districts were having. The legislation is currently in the Senate.

Board Member Rozell asked how many requests for scholarships were presented?

Ms. Misty Kimbrough, Assistant State Superintendent, Special Education Services, said to date, 55 statewide requests have been approved to participate in the program.

Board Member Foresee said the law is made by the Legislature and the Board is implementing the rules?

Superintendent Barresi said this will make the emergency rule a permanent rule.

Board Member Rozell said he did not have an objection to making the rule permanent but wondered if it was legal to pass permanent adoption without the cleaned up legislation? The Legislature passed the law last year, and an emergency rule was made, but the law is being changed because the schools rejected. Was there a court action or agreement made to make them approve the scholarships?

Superintendent Barresi said if the parent petitioned the districts to do this because their child is on an IEP, then from that point on this process is outlined in the rule on how the requests are handled. The schools decided to comply with the law and take up their issue with the Attorney General.

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Board Member Gilpin said school districts that objected and thought the law to be unconstitutional decided to enforce the law. There may a separate lawsuit challenging the constitutionality.

Superintendent Barresi said it is still unclear whether or not the lawsuit has been filed.

Board Member Gilpin asked if Board Member Rozell was questioning if the Board should propose rules with that ongoing?

Board Member Rozell said it seems strange to do that before it is actually approved and know that it is legal.

Ms Tricinella said since a bill is already in place and being implemented these rules would be to comply with the law as it is now.

Board Member Gilpin asked if there was a constitutional challenge in court?

Ms. Tricinella said she knew there was talk of one but was not certain how far it has gone.

Superintendent Barresi said there was a correction to the proposed changes under the “Amount of Scholarship”. The word ‘parents’ in the highlighted area should read “parent’s”.

Board Member Rozell asked are there different scholarship amounts because the rule states the scholarship amounts will be calculated?

Superintendent Barresi said 95 percent of the state funding is transferred which is based on the weight system in the formula amount.

Ms. Kimbrough said the weighted formula that goes through the state aid formula is based upon the disability category. Each disability category is assigned a different weight and each grade level also has a weight. The reason scholarship amounts vary from child to child is because the disability and grade level weights are multiplied with a base factor which has been \$3,112.20 this year.

Board Member Foresee said to clarify, a student in public school with an IEP who gets a scholarship, the scholarship money goes to the private school as opposed to the public school?

Ms. Kimbrough said the law currently requires the SDE to make the calculation based on that weighted formula system, send the calculation back to the public school for the student, and the public school issues a check to the private school for the student in

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the parent's name. The parent(s) is responsible for endorsing the check at the private school.

Board Member Foresee asked will that occur every year or until the student returns to public school?

Ms. Kimbrough said per the current law scholarships are in effect until either the student graduates from private school or returns to public school. The law requires the calculation annually because the base factor changes.

Board Member Rozell asked are all private schools accredited by the SDE?

Ms. Kimbrough said no. In order to qualify for the scholarship program a school must be accredited. The parent chooses the private school and is responsible for transporting the student.

Board Member Mabry motioned to approve permanent adoption and Board Member Rozell seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; Mrs. Mabry, yes; and Senator Rozell, yes.

Title 210: Chapter 20. Staff; Subchapter 15. Residency Program – exempts school districts from convening and participating in residency committees for fiscal years 2011 and 2012

Board Member Mabry said she was concerned the rule would cause the loss of first-year teachers.

Superintendent Barresi said she shared her concerns and that information is being provided to the Legislature regarding this effort.

Board Member Miles-Scott asked if the law passed they do not have stabilities and can get fired?

Superintendent Barresi said the school district(s) has the option to not pursue the residency teacher program. Teacher firings are a different effort.

Board member Miles-Scott said it may be a different effort but it all works together. The residency program helps the teacher in the first two years. It gives them the opportunity to have a hearing and another chance to do better. If the hearing process is removed it seems we put them out for the guillotine.

Board Member Arnn said every case that has come before the Board concerning a teacher and dismissing a teacher one of the things that has kept the teacher was because

they did not have a resident advisor. In some instances she thinks it is a good thing particularly for a first-year teacher.

Superintendent Barresi asked Ms. Tricinella what is being considered is the permanent adoption of a rule already in emergency status?

Ms. Tricinella said yes.

Board Member Foresee said the rule is on the fiscal year 2011-2012.

Superintendent Barresi asked what would be the consequence of failure to adopt this as a permanent rule?

Ms. Connie Holland, Chief Executive Secretary, State Board, said the emergency rule will no longer be effective as of July 14, 2011 as an administrative rule. The statute remains the same.

Board Member Arnn motioned not to approve permanent adoption and Board Member Gilpin seconded. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; Mrs. Arnn, yes.

Title 210: Chapter 15. Curriculum and Instruction; Subchapter 4. Common Core State Standards – pertains to Common Core State Standards for English language arts, literacy in history/social studies and science, and mathematics

Board Member Betsy asked these are standards developed by the National Governors Association?

Superintendent Barresi said yes.

Board Member Rozell asked how are we are trying to help schools implement the program?

Superintendent Barresi thanked Board Member Rozell for the question. She said the ~~Office of Curriculum and Instruction~~ Office of Standards and Curriculum has diligently worked to transition from the *PASS* objectives to the common core. This is not a situation where suddenly a dead line is at hand and the *PASS* is ~~just~~ rejected. Plans are already underway in a highly detailed way to make it seamless as possible for school districts. A national review of Oklahoma's current standards has shown the standards are comparable to the common core. This will not be a sea of changes in terms of standards, the approach in teaching with guidance will be encouraged to be different, it allows deeper penetration into the standards, and emphasizes the development of critical thinking skills as well as content knowledge. The standards are nationally and internationally benchmarks and are portable.

Board Member Rozell asked are universities training students on the common core?

Superintendent Barresi said there have been discussions between the SDE and universities, The Commission on Teacher Preparation.

Board Member Mabry asked who was the SDE person that helped write the standards?

Dr. Cindy Koss, Assistant State Superintendent, Office of Standards and Curriculum, said the implementation process has begun because the schools need the information on what the changes will be and into the classroom. The standards will be assessed in 2014 which allows time to work with teachers, administrators, and higher education. A group meets with other stakeholder groups to establish communication with the business community, higher education, administrators, teachers, parents, and students. The draft plan implementation process will made available to Board members at the April 28, 2011 Board meeting. Summer opportunities and regional curriculum conferences and summits are also being scheduled for administrators, teachers, and focus groups which will inform about classroom changes, and the assessments available in 2014. Materials of the alignment of the common core standards and *PASS* are available on the SDE Website.

Board Member Mabry motioned to approve permanent adoption and Board Member Arnn seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; Ms. Mabry, yes; and Senator Rozell, yes.

Title 210: Chapter 15. Curriculum and Instruction; Subchapter 3. Priority Academic Student Skills; Part 23. Instructional Technology – will bring the Instructional Technology Priority Academic Student Skills up-to-date to address new challenges and opportunities of educational technology.

Board Member Foresee asked will all schools be required to have computers in order to perform everything that is taught?

Ms. Applegate said yes. The current *PASS* standards require computers which were hardware and software focused. The new standards also focus on digital literacy, and the standards are the National Educational Technology Standards for Students from the International Society of Educational Technology.

Board Member Mabry motioned to approve permanent adoption.

Board Member Rozell said he believes in what needs to be done but the rule(s) will require schools to pay. It is a critical time if schools do not have funding or less funding.

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Board Member Foresee seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

Title 210. Chapter 15. Curriculum and Instruction; Subchapter 3. Priority Academic Student Skills; Part 3. Pre-Kindergarten and Kindergarten and Part 9. Science – will provide greater science concept, rigor, increase alignment to national documents and incorporate a new technology and engineering skills

Ms. Jana Rowland, Director, Science, said committees for the science standards review were comprised of Pre K-12 teachers throughout the state from various school sizes, science related state agencies and business leaders, university science faculty, science coordinators

Board Member Mabry said she was excited with this portion and the team effort in doing an amazing job. In reading through the rule she was pleased at how good the engineering portion looked, the decision made regarding Pluto, and the update of the scientific tools. A wonderful job was done in making a definition for renewable and nonrenewable resources that came from the business community, it is a great addition. She said the Pluto issue occurred several years ago and if students are to move forward perhaps the science *PASS* may need to be revised on a more continual basis instead of six years.

Ms. Rowland said the reason for the six year cycle in accordance with the text book adoption and resource adoption is because it is a full and complete review of the entire body of standards works. The revisions on the entire process often does a disservice to the teachers because they need time to work with the major revisions to change the focus of instruction and to understand how to implement it well. The six year cycle is for a full and complete review, and the law allows updating as necessary. The reason for the wait on the Pluto issue was because of the controversy within the scientific community as to where it would land; and we knew the full review would start October 2010. Should there be a major change in some concept the change(s) are allowed and would require Board approval.

Board Members congratulated Ms. Rowland on her new position at Western Technology Center and thanked her for her service at the SDE and education.

Board Member Mabry motioned to approve permanent adoption and Board Member Gilpin seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; and Senator Rozell, yes.

Ms. Tricinella said no action is required on item 6. (b) (3). A notice had been filed and therefore was required to be on the agenda.

Title 210. Chapter 35. Standards for Accreditation; Subchapter 21.
Alternative Instructional Delivery Systems – guidelines and requirements for
alternative testing locations

**Revocation of Teaching Certificate and
Teacher Number of John Charles Gisler Approved**

Ms. Tricinella presented a request to revoke the teaching certificate and teacher number 211351 of John Charles Gisler. The certificate and number will expire June 30, 2012. Oklahoma law does not allow a teacher convicted of a felony to retain a certificate/number if the conviction occurred within the preceding ten-year period. Mr. Gisler received five felony convictions.

Board Member Gilpin motioned to approve and Board Member Arnn seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

**Revocation of Teaching Certificate and
Teacher Number of Billy Ray Smith Approved**

Ms. Tricinella presented a request to revoke the teaching certificate and teacher number 126268 of Billy Ray Smith. The certificate and number will expire June 30, 2014. Oklahoma law does not allow a teacher convicted of a felony to retain a certificate/number if the conviction occurred within the preceding ten-year period. Mr. Smith received three felony convictions.

Board Member Gilpin motioned to approve permanent adoption and Board Member Rozell seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; Ms. Mabry, yes; and Senator Rozell, yes.

**Update on Western Heights Independent School District
No I-41, of Oklahoma County v. Department of Education,
Oklahoma State Board of Education and Sandy Garrett,
Oklahoma State Superintendent of Public Instruction
for the State of Oklahoma, Case No. 106,969**

Ms. Tricinella presented an update on the Western Heights Independent School District's application appeal to the Supreme Court of Oklahoma for attorney fees and costs in the law suit regarding an Academic Yearly Performance (AYP) Appeals Committee determination. On December 17, 2010, the Court of Appeals issued an Order affirming the District Courts decision to deny Western Heights Independent School District. The SDE filed an objection to the petition and on February 28, 2011, the

Supreme Court unanimously denied Western Heights Independent School District's petition finding in favor of the State Board and State Department of Education.

RECESS

**Severance Pay for Larry Nettles,
Former Employee of Bell Public School,
Adair County Approved**

Ms. Tricinella presented a request to provide a severance allowance to Mr. Larry Nettles a former Bell School District employee of the mandatory annexed district pursuant Title 70 O.S. § 7-203 (B) (3). Mr. Larry Nettles was contracted personnel with the school district. Ms. Tricinella reviewed the State Board of Education's decision to non-accredit Bell Public School District on May 27, 2010, the June 24, 2010 mandatory annexation, Mr. Nettles' employment contract/appeal, and the SDE review/recommendation. Mr. Nettles and Mr. Steven Novick, Attorney for Mr. Nettles were present.

Board Member Rozell asked what money will be used for the severance pay?

Ms. Tricinella said by Oklahoma law the SDE provided payments to all employees of Bell Public School because they were not provided severance by the receiving school districts.

Board Member Mabry asked if the Board's audit request for Bell Public School had been performed?

Board Member Miles-Scott said the request was made during the elections. At this time we do not know if the new State Auditor and Inspector received the request.

Mr. Herron said the Board did request the audit but nothing as yet has happened. The changes in administration/audit we do not know the status at this time.

Board Member Miles-Scott asked if the Board should make another request?

Superintendent Barresi said she was not aware of the audit request, but will correspond with Auditor Jones to follow up on the request.

Board Member Gilpin motioned to approve and Board Member Miles-Scott seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

Board Member Gilpin asked if there was an update on the Epic school district that was in litigation?

Ms. Tricinella said the Supreme Court did deny the settlement and we are currently awaiting the filing response to the SDE appeal. There is no decision at this time.

ACCREDITATION/STANDARDS DIVISION

Update on White Oak Public School

Dr. Sharon Lease, Assistant State Superintendent, Accreditation/Standards Division presented an update on White Oak Public School to Board members. She said the current enrollment is 893 students. On February 15, 2011, the enrollment was 939 students and 46 students withdrew.

Board Member Mabry asked how often are the pie chart graphs updated in the report monthly? Is a computer test used for this information?

Mr. David Money, Superintendent, White Oak Public School, said the graphs are update monthly. Scan Trons are used for the test.

Board Member Mabry asked on the math are the percentages out of the total number in second grade, or the total number that took the test?

Mr. Money said all the second graders were tested.

Board Member Mabry asked what type of math are eighth graders taking?

Mr. Money said the state mandated core curriculum-Saxon.

Board Member Foresee asked none are taking Algebra I?

Mr. Money said students are being introduced in the pre-Algebra but not actually taking Algebra I.

Board Member Mabry asked if Mr. Money reviewed the teachers at White Oak? And who reviewed the online teachers?

Mr. Money said he review all the teachers.

Board Member Mabry asked how did he review?

Mr. Money said there have been a lot of challenges this year, and will be working on it reviewing next week.

Board Member Mabry said in grades one and two, each teacher was responsible for 57 students which is a lot of students, and worse than public schools. In grades three through five there were 148 students per teacher and 806 students per teacher in grades six through eight.

Mr. Money said it is the difference in the setting with the virtual students because they have one-on-one time with each teacher, as well as, classroom time with each teacher. This is called an illuminate session where 30 or more students are online at the same time with the teacher. There is direct interaction with the students for positive or

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negative responses whether the student is/is not understanding and if the student needs remediation the can go back and get it then.

Board Member Foresee asked testing will be done at a central location? Who monitors the test?

Mr. Money said testing is done at alternate locations across the state.

Ms. Jennifer Stegman, Assistant State Superintendent, Office of Accountability and Assessments, said school districts are required to submit a plan for the administration of the test that also includes, location, and test monitors/administrators. Oklahoma law also requires an Oklahoma certified teacher be employed by the district. White Oaks is currently hiring teachers on a substitute basis to help with the administration of the tests.

Board Member Foresee asked there will only be White Oak students in the facility and not different students testing at separate facilities?

Mr. Money said alternate test locations are available depending on the students geographic location. These are White Oak students that are enrolled in Oklahoma Virtual Academy.

Ms. Stegman said other districts with virtual students will coop and may be more than one school that is testing.

Board Member Mabry said how will the nine third grade students that are below grade level in reading get remediation? This is a benchmark in third grade reading.

Mr. Money said through a variety of methods provided by the state such as the summer program or through the virtual school.

Board Member Mabry asked Mr. Money to provide how much actual time the 893 students are spending on the computer? Is their time clocker?

Mr. Money said yes the actual time is clocked and attendance is determined.

Board Member Mabry asked Mr. Money to provide a report on the time students are working on the computer.

Mr. Money said yes.

Board Member Mabry said 20 students previously at a public school had withdrawn.

Mr. Money said the virtual academy curriculum is a lot more rigorous than a public school.

Board Member Gilpin asked what additional problems with the virtual school has Mr. Money and district have faced?

Mr. Money said the free lunch program was an initial hurdle, ~~whether or not to count virtual students in the free and reduced lunch percentages,~~ the E-rate application, Impact Aid, Indian Education requirements, and varied open records requests.

Board Member Gilpin said once all the information Mr. Money provides is analyzed it will be a great basis for considering how virtual education does or does not work.

Mr. Money said virtual education is not going away and has a definite place within the public school system in the state. However, it does fit a small segment of the entire student population in providing an alternative.

Board Member Rozell said the below average is running anywhere from 12 to 36 percent which is a high number of students, especially in the eighth grade. What percentage of all students are below average?

Mr. Money said he did not have that data but would provide the information at the next meeting.

This was a report only and no action was taken.

**Accreditation or Non-accreditation of
Boynton-Moton Public School District I004,
Muskogee County for the 2011-2012
School Year Approved**

Superintendent Barresi said the SDE witnessed a serious pattern with the Boynton-Moton Public School District. There were several situations related to not only accreditation but also finance, child nutrition, and student assessment. She instructed an SDE team to perform an investigative audit recommending what was in the best interest of the students, and whether they had been or will be adequately served.

Dr. Lease presented an accreditation recommendation request for Boynton-Moton Public Schools. She reviewed the accreditation status for school sites and classification categories pursuant Title 70 3-104.4. A review and evaluation was conducted on March 7, 2011, by SDE team members Mr. Larry Fry, Regional Accreditation Officer; Ms. Christa Knight, Mr. Mark Everhart and Pam Kimery, Special Education Services; and Ms. Sarah Yauk, Child Nutrition.

Mr. Fry said there were several non-compliance areas which included mandated reports not submitted; no available comprehensive locale education plan, no teaching certificates/college transcripts or loyalty oaths on file, no documentation that standards of performance and conduct for teachers distribution, incomplete teacher/administrator employment contracts, no health services program on file, no district plan/procedure regarding medicines, accidents, emergencies and disasters, and no library expenditures for 2008-2009 and 2009-2010. He said there is discontentment within the Boynton-Moton community, and other concerns are that the financial capabilities to meet the needs of the students in future years, and a developed pattern of noncompliance in other areas.

Board Member Miles-Scott asked will W-2's be reissued because employees received travel reimbursement from home to work, and employees being paid more than their contracted salaries?

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Mr. Herron said yes. The State Auditor and Inspector issued an investigative audit to the Muskogee County District Attorney and details of the audit should not be commented upon at this time.

Superintendent Barresi said she visited with the State Auditor and he indicated the investigation was ongoing.

Ms. Joanie Hildebrand, Executive Director, Child Nutrition Programs, said there were several areas of non-compliance but the two major concerns were number of meals by type were based on attendance rather than accurate point of service count. This always results in the district claiming more meals than what is actually served. There were no production records for many days that school was in session. For example, the month of August and September had no food production records, other months had only 50 percent of the days recorded. Without the food production records it cannot determine if the school met the United States Department of Agriculture (USDA) minimum meal pattern requirement regulations. The district was assessed an over claim of \$17,920.44, which will be reclaimed starting with the district's April claim for reimbursement, and will continue at 50 percent until all money is repaid. A follow up visit is scheduled in May 2011, to insure the district is in compliance. However, if the district is not in compliance further fiscal action will be taken.

Ms. Jennifer Stegman, Assistant State Superintendent, Office of Accountability and Assessments, reviewed the 2010 academic achievement and district report card for Boynton-Moton Public School District.

Board Member Foresee asked if the district was a K-12 school?

Dr. Lease said it is a PK-12 school; however there are no students in the high school at the present time. The local school board did not take official action to close the high school.

Superintendent Barresi asked Ms. Stegman based on the review and observation would she determine the students are academically at risk?

Ms. Stegman said yes.

Board Member Foresee asked how many students graduated in 2009?

Ms. Stegman said 13 students graduated.

Ms. Misty Kimbrough, Assistant State Superintendent, Special Education Services, said a letter has been issued of the findings of the investigation. However, Boynton-Moton is a part of the Muskogee County Coop of which Boynton-Moton special education services are provided via the coop. Their special education money is sent to the coop. There were minimal problems nothing out of the ordinary. ~~Federal ARRA funds were not allowed to flow to coops the funds stay in the district.~~ The district has a balance of \$19,000 of FY2010 federal American Recovery Reinvestment Act (ARRA) stimulus funds that had not been spent. The funds must be spent by the September 30, 2011 deadline.

Dr. Herron said he reviewed the State Auditors investigative report and the last two independent audits of the school district and all showed a pattern of fiscal problems. He

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talked with Superintendent Shelbie Williams regarding options for annexation and consolidation and a feasibility study to annex to Haskell Public Schools and or Midway Public Schools. The SDE prepared an ADM study for the last several years and show student enrollment has steadily declined.

Board Member Mabry asked what will be done with the house owned by the district?

Dr. Herron said the information could not be discussed at this time.

Dr. Shelbie Williams, Superintendent, Boynton-Moton Public Schools, said she became Superintendent September 8, 2009. The district had serious financial problems at the time and was approximately \$250,000 down. The district survived the school year and ended the year in the black. Dr. Williams said she advised school board members there were serious financial problems at the district and there was a possibility funds would not be available for the 2011-2012 school year. The district does not have a high school and could not afford to have high school for the 2010-2011 school year. Boynton is a small community and 99 percent of students are eligible for free and-reduced lunch. If the school is closed people will lose their jobs.

Dr. Williams said she was having surgery the day six SDE staff members visited the Boynton-Moton Public Schools and went through all the paperwork in her office. I disagree with people coming in and going through paperwork in my office without me being there. Contracts are properly signed and on file. The district is under investigation by the Muskogee County District Attorney's office for past questionable activities. Those types of activities have not occurred while I have been Superintendent, Dr. Williams said. The cafeteria staff has done a tremendous job of feeding the children. The issue is money and the district does not have the money to function. There are \$34,000 in legal fees the district does not have money to pay. There is not enough money to hold an election to close the school. A \$17,000 cut is devastating to a small district because there are bills that must still be paid.

Mr. Gilpin asked about federal funds.

Dr. Williams said the district has utilized federal dollars for pre-school class. The ARRA funds for special education have not been spent because those funds were needed for this year to pay for speech and language pathologist services. The small class sizes allow students much one-on-one time with the teacher.

Senator Rozell asked if there is enough money to finish this school year.

Dr. Williams said no.

Senator Rozell said the community should be made aware there is not enough money to finish the school year, because if the school district does not pay the bills, then it falls to the taxpayers to pay.

Dr. Williams said the community has been made aware of the situation. The taxpayers are in favor of keeping the school.

Senator Rozell said he understands, but do the people want their taxes to increase in order to keep the school.

Dr. Williams said that would be determined by a vote of the people.

Board Member Gilpin said if the school is so important to the community, how does the community feel about students not achieving?

Dr. Williams said students not achieving has not been a problem this year.

Mr. Gilpin said data indicates three years of extremely low student achievement.

Dr. Williams said yes, but the numbers are extremely low. There were only three third grade students tested.

Mr. Gilpin said of 27 students tested in Grades 3 through high school, only five students scored proficient. It seems that the community would not consider those good numbers and would want to dramatically change what is happening in the district.

Ms. Miles-Scott asked was the testing information made available to parents.

Dr. Williams said the information provided to the district by the SDE is sent home to the parents. The parents seem to be happier about how successful each child is every day.

Ms. Angela Jackson, Boynton-Moton School Board Member said she served three years prior, was off for six months, and then reinstated in February by election. She is a graduate of Boynton and her four children attended Boynton. As a board member she had no idea test scores were so low.

Mr. Gilpin said that in 2010 no one told Ms. Jackson that sixth grade math achievement fell by 66 percent.

Ms. Jackson said she has four nieces who attend Boynton and she had no idea test scores were so low. The community is not aware of the low test scores. Everything at the district is out of hand.

Mr. Bernard Walker, Boynton-Moton School Board Member said he has served on the school board for 43 years and was not aware of the test scores. There is a problem and it is an in-house problem. It was recommended by SDE staff in 2009 to close the high school. He does not want the school to close, but that seems to be the best alternative.

Mr. Gilpin said the school is all the community has, but it appears the school is not serving the community well. Out of 27 students tested only five were proficient. Why would you want the school to keep operating. In 2010, sixth grade math achievement scores fell by 66 percent. These are facts.

Mr. Walker said the board should have known about the test scores up front.

Mr. Gilpin said no, the board should have looked into the matter and then discussed and resolved the situation for the sake of the students. It was the board's responsibility and job to do so.

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Mr. Walker and Ms. Jackson said they had not seen any of the information presented to the Board.

Mr. Walker said he was in the meeting when the board voted on the salary increase, even though he voted against the increase.

Board Member Foresee asked why Dr. Williams' salary as a superintendent for 47 students was \$90,400.

Dr. Williams said her salary increased from \$36,000 because the district was in need of tremendous work and she. The school board paid a superintendent salary and for a person with a doctorate degree.

Superintendent Barresi asked was the \$37,000 salary asked for upfront in Dr. Williams contract prior to the beginning of this year.

Dr. Williams said it was less, \$18-\$20, 000, and yes she requested the salary up from because of all the time and money she had donated.

Superintendent Barresi asked did Dr. Williams realize it was illegal.

Dr. Williams said she did not intend to do anything that was not perfectly correct.

Superintendent Barresi said to confirm the facts Dr. Williams salary increased from \$36,000 to \$90,000 in one year.

Dr. Williams said yes which comparable to other superintendents and level of education.

Board Member Rozell said there is a limit on superintendent salaries. Administrative cost cannot exceed ten percent of the budget. At this time, Dr. Williams' salary is 30 percent over the budget which is illegal.

Dr. Williams asked what does the State Board want done?

Superintendent Barresi said with the \$90,000 contract Dr. Williams has stated she informed the local board there was not enough money to hire teachers for the high school.

Dr. Williams said she was hired before knowing there was not enough funds to hire other teachers.

Board Member Gilpin motioned to nonaccredit Boynton-Moton Public Schools as of June 30, 2011. Board Member Arnn seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; Mrs. Mabry, yes; and Senator Rozell, yes.

LEGAL SERVICES DIVISION

Interview Applicants for Position of General Counsel

Convene Into Executive Session Approved

Board Member Gilpin motioned to convene into Executive Session at 12:40 p.m. Board Member Rozell seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

Return to Open Session Approved

Board Member Gilpin motioned to return to Open Session at 1:45 p. m. and Board Member Miles-Scott seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Mr. Gilpin, yes; Ms. Foresee, yes; Ms. Miles Scott, yes; Mrs. Mabry, yes; and Senator Rozell, yes.

Board Member Gilpin motioned to offer the position of General Counsel to Ms. Lisa Endres at the salary requirements indicated in the job qualifications. Board Member Foresee seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

Superintendent Barresi recessed the state Board of Education meeting for ten minutes. Board Member Miles-Scott made a motion to approve the Recess. Board Member Gilpin seconded the motion. The motion passed with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

PROFESSIONAL SERVICE DIVISION

Oklahoma as Parents as Teachers (OPAT) Annual Program Evaluation Approved

Ms. Erin Nation, Coordinator, Early Childhood/Family Education, presented a request of the Oklahoma Parents as teachers (OPAT) Annual Program evaluation. The 1992 voluntary home visitation program serves families with children birth to age three. She reviewed the data collected, curriculum research, and legislation.

Dr. Kathy McKean and Dr. Kelley Langley from the Oklahoma Technical Assistance Center reviewed the evaluation results of the 2009-2010 school year, updates,

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goals, funded programs/communities, enrollment/participants, testing, services offered, and parent outcomes.

Board Member Miles-Scott motioned to approve the request and Board Member Gilpin seconded the motion. The motion carried with the following votes: Mrs. Arnn, yes; Ms. Foresee, yes; Mr. Gilpin, yes; Ms. Miles-Scott, yes; Ms. Mabry, yes; and Senator Rozell, yes.

FINANCIAL SERVICES DIVISION

Additional Payments to the Teachers' Retirement System for the Teachers' Retirement Credit Approved

Mr. Jack Herron, Assistant State Superintendent, Financial Services Division presented a request for payment of the balance of \$17,088,597 to the Teachers' Retirement Credit, as required by the Attorney General Opinion (2010 AG 14). On December 16, 2010 paid \$18,222,778 of the \$35,311,375 credit amount. The funding will be taken from the agency activities budget source.

Board Member Miles-Scott asked had the \$16 million been returned Oklahoma State Office of Finance.

Superintendent Barresi, in response to Board Member Foresee questions, said in December the Board requested a supplemental appropriation for the teacher credit. The Legislature has made it clear the appropriation will not be awarded.

Dr. Herron said the \$35 million teacher credit appropriation was known and debated several years. In July when the Board approved the fiscal year budget, \$18.2 million was not obligated until August. It was decided at the August Board meeting to appropriate the \$18.2 million to the Flexible Benefit Allowance (FBA). Teacher Retirement requested an Attorney General Opinion which required and is recommend to pay the full amount of \$35 million.

Dr. Herron's responded yes to Board Member Foresee and Miles-Scott's question was the \$17 million always available and could have been paid.

Board Member Miles-Scott said the supplemental was asked to pay the \$18.2 million because there was not enough money and no line item appropriation. She said what the Board decided to pay in July was based on the discussions and recommendation to the Board.

Board Member Foresee concurred the first payment was for flexible benefits because it was what was best and it was the TRS recommendation to pay the \$18.2 million. The school district is responsible to pay the flexible benefit insurance and not the teacher.

Ms. Marta Coombes, Executive Director, Fiscal Services, said monthly payments of \$2 million will be made to the TRS through the end of the year. A one-time catch up payment will also be made.

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Board Member Miles-Scott asked will the Board be faced with the same decisions next year?

Superintendent Barresi said there will be a budget limits bill this year.

Board Member Foresee said the entire \$35 million would have given to TRS had the Board known in November when the budget was being prepared the amount would eventually have to be paid. Other ways would have to be looked at to fund the flexible benefits.

Dr. Herron said there were debates from different entities that this is what should have been done.

Board Member Gilpin said what happened was not getting the line item budget and received less money. The Board's decision based on the cash on hand was whether to pay health benefits, which were an immediate need, or pay retirement.

Board Member Foresee said everything was on the line and something things would suffer.

8:45:21 Board Member Miles-Scott said the SDE issued a specific line item budget and it was the Legislature's responsibility to line item the appropriations. As former a state auditor she questions whether it was legal for the Legislature to issue the budget in a chunk without line item appropriations, and to require the SDE to appropriate. It is water under the bridge as it is but she does not want to run into this issue again. It was for this very reason the Board asked for input/recommendations from the entities needing funding.

Board Member Gilpin said school district's need to understand the \$35 million thought to be obligated by law to help pay for health insurance will be paid according to the Attorney General to teacher retirement. They will be responsible for the health insurance funding they should have received by law.

Dr. Herron said he had no knowledge as to whether the Legislature will or will not line item the budget this next year. This was the first year in the history that they never line itemed a budget.

Superintendent Barresi said she has been advised there will be a budget limits bill and has asked for one.

Board Member Mabry said not many teachers were aware of the teacher retirement benefit prior to last fall.

Board Member Foresee said as a teacher she too was confused. It had been her understanding if they district paid their portion the teachers would be fine. It was the people who did not do what they were supposed to do and therefore we were covering them.

Superintendent Barresi said in the budget limits bill approximately 30 percent of the money allocations to the SDE are delineated. Approximately 69 percent is flow through money to the districts underneath the formula. There is only one percent that is

discretionary that is not delineated by the Legislature and the programs laid out by the Legislature.

Board Member Mabry motioned to approve the request and Board Member Miles-Scott seconded the motion. The motion carried with the following votes: Senator Rozell, yes; Mrs. Mabry, yes; Ms. Miles-Scott, yes; Mr. Gilpin, yes; Ms. Foresee, yes; and Mrs. Arnn, yes.

FINANCIAL UPDATE

Dr. Herron said the end of the fiscal year 2009-2010 House Bill 1566 legislation took \$16 million from the SDE. After several meetings with auditors it appears the SDE is down \$16 million and a request made on how it can be returned. At this time we are waiting on a response.

Board Member Gilpin asked would the funds go into a special account for specific thing(s)?

Dr. Herron said he did not know. It has to be determined whether it will be returned or if the SDE must take action to get it returned.

Superintendent Barresi asked was the issue coding instructions for district?

Dr. Herron said no. It was determined watching the spreadsheet and fiscal services data, OSF and State Auditor's office agreed the SDE was down \$16 million.

Superintendent Barresi said this was not her understanding. She suggested representative(s) from the OSF be requested at the April 28, 2011 board meeting to clarify.

Board Member Miles-Scott said in addition to this, last year on the last day of the legislative session, the SDE appropriation bill was taken from previous year, line itemed through it, and cut the appropriation by \$16 million. An appropriation cannot be reduced from a previous fiscal year in a current fiscal year, because the money is appropriated for a particular year, that particular time, at that moment. The \$16 million was there, then taken away, and at first the money would be returned and now it is not known if it will be returned.

Board Member Gilpin asked what did 'taken away from the SDE' mean?

Board Member Miles-Scott said it was taken away from the line item allocations.

Board Member Gilpin asked was it taken from one account and to another?

Dr. Herron said it has not been determined in the visits with State Auditors and Inspector and OSF representatives.

Board Member Miles-Scott asked if the SDE still had access to the system in order to view the status/availability of funds?

Dr. Herron said the SDE no longer has total access.

Board Member Gilpin asked was this pertaining to the Governor's fund or stimulus fund, or is this something different and why?

Dr. Herron said the SDE could not tell and do not know why it was taken.

Board Member Miles-Scott said it is something different. She remembered seeing news regarding payroll at the Water Resources Board.

Dr. Herron said no one was privy to the Legislature's reason. It may have been somewhat related to the Governor's Executive order. It is the finance division feelings there is money that belongs to the SDE and would like it returned.

Board Member Gilpin asked what was the controversy?

Board Member Miles-Scott said some folks at the OSF are saying it is not true the \$16 million was taken and others say it is true.

Board Member Gilpin asked assuming the \$16 million was taken, why would they?

Board Member Miles-Scott said maybe to cover someone who made a mistake or a mistaking in keying. Something is not right and it is only fair the Board get to the bottom of this because \$16 million could have been used.

Superintendent Barresi said OSF and State Auditor representatives will be requested to attend the next board meeting.

Board Member Gilpin asked if a Board committee of Superintendent Barresi and Board Member Miles-Scott could meet with the agencies.

Superintendent Barresi said being it is the Board's pleasure she and Board Member Miles-Scott will meet with the agencies and report back to the Board of the findings.

Board Member Gilpin asked what/where were the discrepancies in Ms. Geiger's report, if any, from last month's meeting of the financial presentation?

Dr. Herron said he did not dispute her figures and that he also took his figures from the exact same source in the Governor's budget book. He had said the \$169 million which was ARRA 1 and ARRA 2 was \$139 million. There was GSF money thrown in there which threw him off, as well as other monies that came in at the end of the year. The difference was between \$ 139 and 169 million and if he was wrong he misspoke.

This was a report only and no action was required.

REPORTS

Superintendent Barresi said the reports on alternative placement and Troops to Teachers and the Professional Standards production report available for the Board's review.

ADJOURNMENT

There being no further business to come before the Board, Board Member Gilpin made a motion to adjourn at 2:30 p.m. Board Member Foresee seconded the motion.

Board Member Miles-Scott said Board Member Gilpin has been a valued member of the State Board of Education and he would be missed.

Board Members thanked him for his instruction and service.

The motion passed with the following votes:

The next regular meeting of the State Board of Education will be held on Thursday, April 28, 2011, at 9:30 a.m. The meeting will convene at the State Department of Education, 2500 North Lincoln Blvd., Oklahoma City, Oklahoma.

Janet Barresi, Chairperson of the Board

Connie Holland, Chief Executive Secretary