

**Approved Minutes**  
**Alaska State Board of Education & Early Development**  
**October 28, 2011**  
**Originating in the State Board of Education Auxiliary room**  
**801 West 10<sup>th</sup> Street, Suite 200**  
**Juneau, AK**

The tele/videoconference meeting was called to order by Chair Cox at 12:05 P.M. All members were present on line with the exception of Pat Shier and Col Sullivan. The Pledge of Allegiance was recited.

The Chair asked if anyone had any disclosures. Carol Schaeffer indicated that she was employed by the Northwest Arctic School District, a district requesting a waiver. The chair ruled that she could participate.

Ms. Cox asked if the Commissioner could give the board an NCLB update. The agenda was amended by adding a report from the Commissioner regarding NCLB waivers. The amended agenda was approved by unanimous roll call vote with a motion made by Jim Merriner and seconded by Bunny Schaeffer.

Others present: Commissioner Hanley, Deputy Commissioner Les Morse, Elizabeth Nudelman, Cyndy Curran, Heidi Reichl, Elwin Blackwell, Eric Fry, Roxy Mourant, John Greely, Dottie Knuth. Also on line, Randy Hawk and Karena DelGato of ABC/FOX News.

There was no public comment.

Col Sullivan joined the meeting at 12:10 p.m.

5. School District Budget Waivers. Commissioner Hanley introduced Elizabeth Nudelman, Director of School Finance, to brief the board. She indicated that there were 23 waiver requests this year and this was the 14<sup>th</sup> year of doing this waiver process. She also indicated that the board had two resolutions before the legislature to remove this requirement in law, but since the legislature had not responded to the resolutions, the board and the department had to comply with the law. Ms. Nudelman said each of the districts requesting a waiver had been very carefully vetted in reviewing its requests. She reviewed the current law, the cover letter sent to districts with budgets below 70%, walked the board through a history of the procedure, and a summary of the operating fund minimum expenditures for instruction, and district reasons and causes for FY 2012 budget waiver requests. She said eight districts had budgets below \$3M, with no economy of scale to meet the 70%, noting that Chatham, SE Island and Aleutians East had small schools with very high transportation needs between the schools.

Geri Benshoof inquired if the total amount of money was “state money”. Ms. Nudelman said the chart reflects operating budget dollars which includes state contribution, local effort and impact

aid. It does not include grants or capital projects. Jim Merriner said he noticed that all but three districts has increased funding for instruction. Ms. Cox said she was curious about Tanana and that they were never above 54%, yet had economy of scale. Ms. Nudelman said the department had and continues to work very closely with Tanana. They have very high water and electric costs. Through the work of its Interim Superintendent, a lot of progress has been made with consistent services. Ms. Benshoof inquired if Tanana had some problems with where their money was going. She said there had been articles in the Fairbanks paper. Ms. Nudelman said she was not aware, nor was the department, of any problems like that. She said the utilities get high when the population drops because of the shared aspect. She also noted that their health care costs were very high. She said the department has worked with all aspects of Tanana's accounting. They have a licensed CPA and she was comfortable with the information being presented today. Ms. Nudelman said Tanana has struggled with money, but the school board ultimately decides where to spend it. Ms. Benshoof inquired if the school administrator lived outside Tanana. Ms. Nudelman said she would have to ask and would get back to her on both issues – back ground on finances and if the administrator was living outside the district. Commissioner Hanley inquired if Ms. Benshoof was asking if the administrator living outside the district was impacting finances. Ms. Benshoof said she thought it was interesting.

Ms. Cox asked Erik McCormick, Director of Assessment, if the 70/30 waivers had anything to do with student achievement? He said that he had not prepared anything regarding that issue for this meeting. Ms. Cox said the Legislature had ignored the resolutions of the board and it is a lot of work for the department and the board to prepare for this meeting each year. Mr. McCormick said he recalled that information had been sent to board concerning her question two years prior, and the information wasn't very clear at that time. With that being said, she said she remembered now and didn't need the information again.

Ms. Cox asked for a motion. Bunny Schaeffer moved and Janel Keplinger seconded the following motion: I move the State Board of Education & Early Development approve the district waiver requests for 70% minimum expenditure for instruction requirement for Fiscal Year 2012 for the following school districts: Aleutian Region, Aleutians East Borough, Bering Strait, Bristol Bay Borough, Chatham, Copper River, Hoonah City, Hydaburg City, Iditarod Area, Kake City, Kuspuk, Lake and Peninsula, Nome, North Slope Borough, Northwest Arctic Borough, Pelican City, Pribilof, Saint Mary's, Skagway, Southeast Island, Southwest Region, Tanana City, and Yukon Flats. The motion passed by a 5-1 roll call vote.

6. MEHS Ad Hoc Committee. Commissioner Hanley introduced Les Morse, Deputy Commissioner, who reviewed the progress to date. Rebecca Hattan, Assistant Attorney General, Randy Hawk, MEHS Superintendent, and Les Morse had met and will meet again on November 22 in the department to walk through, and prepare an outline for the committee. The target date for completion of the work is March 2012. He said this was a big project and needed a thorough review, and the revisions also had to go to the MEHS advisory committee before it would come to the board. So, depending on meeting schedules, it might even be June before the board sees a finished product. Mr. Morse reminded the board that at is September meeting, the board agreed to the committee selection – one state board member, one MEHS Advisory Board member and one person chosen by the commissioner. Geri Benshoof moved and Jim Merriner seconded the following motion: I move the State Board of Education & Early Development approve the

appointment of Phil Schneider, Susan Isaacs and Lon Garrison to the Ad Hoc Committee to review the MEHS Policy Manual. The motion passed by unanimous roll call vote.

7. NCLB Waiver Report. Commissioner Hanley gave the board an update on the NCLB waivers from USDOE. He said the waiver was a waiver from AYP accountability, and there were three criteria as follows.

1. Administration officials said that states don't have to use common standards or assessments, but these standards and assessments have to be college and career ready and that states must show they are taking steps to implement them in the classroom.

2. Develop an accountability system that differentiates schools based on their performance. They must target the lowest performing 5 percent schools with rigorous interventions, such as those identified in the School Improvement Grant program; must also focus on additional 10 percent of schools that have low graduation rates, large achievement gaps, or poor subgroup performance. The Department of Education officials emphasized that the remedy for these schools will be "locally designed," but the expectations will be "unequivocal."

3. Set guidelines for teacher and principal evaluation systems to support teaching. These systems will be developed with input from teachers and principals and will assess performance based on "multiple valid measures", including student progress over time. They will be used to provide clear feedback to teachers on how to improve teaching. The Administration's plan is silent on how much of the evaluation should be based on student growth and whether the data will be used for rewarding teachers or tenure decisions.

Governor Parnell has met with Secretary Duncan at the Graduation Nation meeting and subsequently wrote a letter to the Secretary saying that Alaska is evaluating our process, and how we will move forward. The Commissioner said USDOE would have to determine if our career standards met the mark. The reauthorization bill is currently 869 pages long and appears to be moving through the Senate, but he said he was skeptical if it would get through both houses this session.

Board comments.

Janel Keplinger said it was a busy time.

Phil Schneider thanked the board for placing him on the AD Hoc MEHS committee and said he was looking forward to the review.

Geri Benschhoff said she was concerned with the per student cost in districts and she felt the public was also concerned with the quality of education for the money being spent.

Jim Merriner said his wrist surgery went well, and thanked the board for get-well wishes.

Bunny Schaeffer had no comments.

Esther Cox inquired about an agenda for the Education Summit being held in Anchorage in mid-November. She commented that it was great to see so much press coverage from the Milken Awards in the Information Exchange.

The meeting was adjourned by unanimous consent at 1:10 p.m.