

INDEX OF MINUTES
STATE BOARD OF EDUCATION
LaVILLA MIDDLE SCHOOL of the ARTS
JACKSONVILLE, FLORIDA
FEBRUARY 18, 2003

<u>ITEM</u>	<u>PAGE</u>
1. Call to Order and Greetings.....	1
2. Member Comments and Observations.....	1
3. Approval of Minutes of Meeting held January 21, 2003.....	1
4. Commissioner's Report.....	1
5. Presentation on the Transition from the Florida Accounting and Information Resource System to individual University Accounting Systems.....	6
6. Monitoring Plan for Third Grade Promotion.....	7
7. Guidelines by which the State Board will Review Charter School Appeals.....	8
8. Consent Agenda.....	9
9. Miscellaneous.....	12
10. Adjournment.....	12

MINUTES
STATE BOARD OF EDUCATION
LaVILLA MIDDLE SCHOOL of the ARTS
JACKSONVILLE, FLORIDA
FEBRUARY 18, 2003

Chairman F. Philip Handy convened the meeting of the State Board of Education in the Theatre, LaVilla Middle School of the Arts, Jacksonville, Florida, at 8:30 a.m., February 18, 2003, with the following members present: T. Willard Fair, Vice Chair, Sally Bradshaw, Linda J. Eads, Charles P. García, Julia Johnson, and William L. Proctor.

1. Call to Order and Greetings

The Pledge of Allegiance was recited. Mr. Handy thanked Ms. Jane Condon, Principal, LaVilla Middle School of the Arts, for hosting the State Board meeting. Ms. Condon said the LaVilla School had 1055 students, and a waiting list of 2000 students. The School, an "A" school, provided instruction in nine arts areas, as well as all the traditional academic subjects.

2. Member Comments and Observations

Mr. García thanked Ms. Mary Laura Openshaw for educating him about reading initiatives. He expressed concern about the State University funding models and the report issued by CEPRI. He said he would prepare a concept paper for Board review and discussion. Mr. Handy recommended that the Board hear from CEPRI and its Equity Funding report at a future meeting.

Mr. Handy said he had asked staff to develop a web site to which the public could offer comment on the action items on the Agenda via the Board's web page. He said the Board would hold workshops over the next months on several topics, including reading, No Child Left Behind, and funding for higher education. These would provide opportunities for in-depth discussion with staff and outside experts. He said he and the Commissioner had discussed the appointment of an Advisory Council on Capital Spending, particularly with the dismal outlook for PECO dollars this year.

3. Approval of Minutes of Meeting held January 21, 2003

Mr. Handy said the Corporate Secretary had distributed an Errata sheet with member corrections to the Minutes. Dr. Eads moved that the Board approve the Minutes of the Meeting held January 21, 2003, including the corrections in the Errata sheet, as presented. Ms. Bradshaw seconded the motion, and members concurred.

4. Commissioner's Report

Commissioner Horne said he had spent most of his time since the January meeting in Tallahassee, and had made numerous presentations to legislative

committees. As part of the application process for No Child Left Behind, he had visited Washington, D.C., to help the Federal Department of Education understand Florida's learning gains approach. He had also been recruiting top staff to the Department now that the new organization was in place. In recent weeks, he had launched Operation Excellence in the Department to train lower-level managers. The previous evening, he said he had attended a Business Recognition Awards Dinner to thank corporate partners for their commitment, personal and financial, to improving education in Florida. He said the pieces were in place for a successful Legislative Session.

Mr. Fair inquired about the progress of the Chancellor searches. Commissioner Horne said he was working with Mr. Petway to find a qualified candidate to lead the Division of Colleges and Universities, and hoped to conduct candidate interviews soon. The list of candidates to lead the K-12 Division needs to be narrowed to a more manageable number; he hoped to introduce 1 to 3 candidates to members of the Board in March. He said he would keep Board members apprised of the timeline.

A. Recognition: Mrs. Jean Niemi Fox

Commissioner Horne recognized Mrs. Jean Niemi Fox, Principal, Orange Park Elementary School, with the "Apple Award," for her outstanding leadership of this "concept school" in Clay County, where parents, teachers, and students sign a commitment form agreeing to the behavior responsibilities and expectations stressed at the school. He said parents were so eager to enroll their children at the school, they camped out overnight to be first in line to register. He added that Mrs. Fox was retiring at the end of this school year, after 22 years with the County.

Mrs. Fox thanked the Commissioner and the Board for this special honor. She said she was very proud of the accomplishments of Orange Park Elementary and of the high achievement of its students, a testament to the work of the teachers and the commitment of their parents.

B. Just Read, Florida!

Ms. Openshaw described the Reading First grants awarded in Florida, which with Alabama and Colorado, were the first states to receive these grants. She distributed information about the grants; 12 applications were awarded for a total of \$24.5 million. Staff had answered inquiries from the districts about these applications within a day. In addition, her office had provided extensive review on the unfunded applications to help in the next round; an additional \$12 million will be awarded in April. She described how the funds would be distributed through 2008-09. She said several counties pooled their resources and applied as consortia. She emphasized that schools were not eligible for these awards if they did not have large numbers of students reading poorly.

Dr. Proctor inquired about the components of the creative approach, described by Ms. Openshaw. Ms. Openshaw reported that some districts had looked at all their federal and state funds to see how they could contribute to the

applications. Each school would have a reading coach, who would also be training the teachers. Ms. Johnson inquired about the technical assistance provided by the Department. Ms. Openshaw reported that there had been a number of informational workshops held around the State during the Summer; staff had also assisted the districts in writing the applications.

Dr. Eads inquired if any charter schools had been eligible. Ms. Openshaw said some were funded, but not many were eligible, as schools eligible for the funds had more than the state average, 47%, of fourth grade students reading below grade level and at least 15% of students receiving free and reduced price lunch. Mr. García inquired about assistance to middle schools. Ms. Openshaw said federal funds had historically targeted K-3 students.

C. Implementation of Florida's Strategic Plan

Mr. Winn said the Strategic Imperatives needed to be an integral part of the activities of the Department. As the environment changed, discrete projects should be adjusted to meet new demands. He used the metaphor of a chess game, the first move had been the adoption of the Strategic Plan. Since then, voters had approved several Constitutional Amendments and the State was facing a tight budget year.

He said the State needed 14,000 new teachers by August to replace the teachers expected to retire, to hire teachers to accommodate expected enrollment growth, and to hire teachers to reduce class size by 2 students to implement the first year of the Class Size Amendment. He said the Colleges of Education produced about 3300 new teachers each year. He said staff were considering alternative programs, and rethinking some priorities, but that the August deadline for teachers was a top priority. Mr. García said the results of these efforts related to teacher quality. He inquired what the Department would do to prevent the best teachers from being lured away from urban schools where quality teachers were especially needed. Mr. Winn said staff was crafting legislation this Session to address this type of teacher-flight. Mr. García said Palm Beach County had offered significant salary supplements to teachers willing to teach in at-risk schools. Mr. Fair said this Class Size Amendment was creating real problems for all the school districts.

Mr. Handy suggested that this issue encompassed numerous policy issues, including starting teacher pay, differential pay, and incentives to encourage teacher movement. He said he recognized this Board's emphasis on devolution of authority, but there were opportunities to be helpful to the districts and to empower the school boards. Ms. Johnson inquired about the proper role for this Board in addressing the teacher shortage. Should the Board act in a responsible manner or merely monitor and investigate. Dr. Proctor said he was interested in looking at alternate certification. He said he saw two major tasks, first, staffing the schools this August, and second, finding long-range solutions.

Ms. Bradshaw added that the Board had an important role to play publicly to address the big policy issues confronting the State and to express its concern on how to solve the issues mandated by these Amendments, while acting as the body to implement the Amendment. The Board needed to address a solution for August, as well as to advocate long-term what was best for the schools. Mr. García said it was important to know this Board's Constitutional duties and its most important principles. He said this Board was the "supreme court" for education in Florida. Mr. Handy added that these duties were in partnership with the Legislature. Mr. Fair said this was an issue for a Board workshop. Mr. Handy said the topic for the workshop would be focused on Strategic Imperative #1, recruitment, training and retention of teachers, perhaps prior to the March Board meeting. Dr. Proctor wondered if the retention of students in the third grade would also have an effect on teacher assignments.

Mr. Winn said the beauty of the Strategic Plan was that it was a fluid document and could reflect new issues to be addressed by the Board.

D. Marketing and Communications Plan

Commissioner Horne said the Department's typical approach to communications had been to wait for a negative story or editorial, and then to go on the offense. He said he wanted the new Department to take the offense first and to communicate better with the Department's "customers." He introduced Mr. Todd Harris who had been hired to help set the new communications tone.

Mr. Harris said he had a basic three point plan: 1. to develop a written communications and marketing plan; 2. to restructure the communications office and hire new staff; and 3. to provide communications training for the staff. He said the Department did have success stories to tell, but there was a disconnect between the way the Department communicated its message and the way most people talked to each other. He described the "kitchen table rule" as a way to judge the message. All communications should be written with the target audience in mind, and with forethought as to the accompanying photo. He said the goal was to achieve, in five years, what we wanted the public to think of the Department and what should be told in the meantime to get there. He described the proposed structure of the Office, and introduced Ms. Nikki Jerger, Director of External Affairs, who would be communicating the message directly to parents, teachers, and others. He said the Board should be more proactive in seizing media opportunities and solutions. Mr. García recommended that the Commissioner consider a press secretary with Hispanic experience.

E. Progress Report on Short Term Priorities

Commissioner Horne said his short term priorities were on communicating the Governor's reading initiatives, the recruitment of senior personnel, and the development of accountability measures. He reported that the recruitment for the Chancellors was proceeding. He described an activity matrix to measure staff

performance. He said a visible sign of the importance of reading was the arrangement of a reading nook in the Department's lobby.

F. Implementation of Constitutional Amendments

Commissioner Horne said the implementation of the Constitutional Amendments was the subject of legislative discussions. Legislation had been introduced on universal pre-kindergarten giving governance to the Agency for Workforce Innovation (AWI), and programs, curriculum, accountability and teacher certification to the DOE. Both the Senate and the House were working on legislation on Class Size Reduction. The legislation on Amendment 11 dealt with staggered terms for members of the Board of Governors and powers and duties for the Board.

Ms. Bradshaw inquired how close the legislation was to the Governor's plan to implement Amendment 9. The Commissioner said the House draft was very close. Dr. Proctor inquired about leaving pre-k with AWI. Mr. Horne said this Board had expressed the view that pre-k should be governed by Education, but had taken no position on ages 0-4. Mr. Handy agreed that pre-k should be a part of education, incorporating the concept of readiness and accountability. He said the staff should be collecting data. Dr. Proctor stated that clarification was needed as to what was to be accomplished in the pre-k program. Once those goals were clarified, the Board could make an informed decision as to the proper assignment of the program, whether within AWI or another agency or department. Mr. Handy suggested that this might be the topic for a workshop, to include Mr. David Lawrence and the Coalition for Readiness. He said that there was also discussion of creating a new office within the Governor's Office.

Mr. García said he had been dissatisfied with the University System's Report on Equity Funding and would distribute his own concept paper. He said that there was inequitable allocation of funding for enrollment growth. He inquired about the relationship of this Board to the Board of Governors. Commissioner Horne said the Board of Governors had no staff other than employees of the Division of Colleges and Universities. He said that funding equity was complex and did not lend itself to easy answers. He said that a new funding formula was needed. Mr. García said he recognized the complexity, but that it was the Board's fiduciary responsibility to drive through the political issues and give the Legislature their best thoughts.

G. 2003 Legislative Session

Ms. McDougal reviewed the upcoming Legislative Session. She reported on the number of bills already filed in the House and Senate and said that staff were tracking 173 bills, almost half of which were related to K-12. She reviewed the key dates for Session. She described the Board's key policy priorities for this Session, and the implementation issues for the three Constitutional Amendments.

H. Discussion of Rules Adoption Process by the State Board of Education

Mr. Michael Kooi, Assistant General Counsel, described the process of rule development and promulgation, as required by the Administrative Procedures Act. He said the General Counsel's Office was reviewing all the Department's rules, in light of the new School Code. Each rule was described by one of four categories: to be modified; to be repealed; to be promulgated; and to be eliminated as unnecessary. Staff would review rules before they were brought to the Board for adoption. He added that there was opportunity for public comment at every step in the process.

I. Florida's Submission for "No Child Left Behind"

Mr. Winn explained Florida's Implementation of the provisions of "No Child Left Behind." He explained the strengths of accountability and the pieces already in place to grade schools and measure Adequate Yearly Progress. He compared Florida's Accountability System and the requirements of NCLB. Florida has until May to negotiate its proposal for approval. He described the sanctions for schools failing to make adequate progress. He said NCLB was a "status" model, moving year by year, and not tracking individual student growth as in Florida's accountability system. He noted that Florida focused on the lowest performing students. He said Florida proposed to adopt a single statewide accountability system for all public schools that included measures of adequate progress, school grades, annual learning targets, and a system to calculate "returns on investment" based on institutional efficiency and effectiveness.

Dr. Proctor said it appeared that Florida was making good progress with school accountability. He inquired about the NCLB requirement for a high quality teacher in every classroom with the requirement to reduce class size. Mr. Winn said that the Florida definition was a "fully certified" teacher. This could include teachers with temporary certificates, as long as they were on track to full certification within a certain period. Mr. Winn said he would know how Florida's proposal was viewed after the peer review visit. Commissioner Horne said that Florida was ahead of most states in tying accountability and funding.

Mr. Fair moved that the Board approve the Commissioner's Report. Dr. Eads seconded the motion, and members of the Board concurred.

5. Presentation on the Transition from the Florida Accounting and Information Resource System to individual University Accounting Systems

Ms. Diana Flagg, Office of the Chief Financial Officer, reported on the transition of the state universities from the statewide accounting system to individual systems. The University Trustees were to submit transition plans to the State Board of Education. These plans were developed in cooperation with the Chief Financial Officer. Transition teams have been working since March 2002, to assure a smooth transition and adequate controls. All payroll and financial transitions will be complete by January 2006. She also advised the Board of issues to consider after the transition is complete,

such as the setting of financial and accounting policies, audits of major disbursements, expenditure reviews and budgetary controls.

Mr. Handy noted that both the Commissioner and he had served on the Education Governance Reorganization Task Force in 2000. He said he was pleased that this transition had begun then, given its length and complexity. He expressed the Board's appreciation to Mr. Gallagher for his assistance.

6. Monitoring Plan for Third Grade Promotion

Ms. Shan Goff described the plan for monitoring school districts' compliance with the Board's adopted third grade promotion policies. She reviewed the requirements of the law, "good cause" exemptions, and the reporting requirements for the districts. The districts would report on the students retained. She also described the technical assistance provided by the Department, noting that as this first year ended, staff were reviewing the types of assistance and planning that should occur sooner in the year. She described the targeted technical assistance based on the districts' self-assessment and the focused monitoring based on the FCAT results and the districts' reports back to the State Board in September.

Dr. Proctor inquired about local school board policies on retention. Presumably, a student could progress to the tenth grade without passing the FCAT, and graduate, without a standard diploma. He asked how long the student could stay in school. Ms. Goff said students had a statutory right to a 13th year; students with disabilities could remain in school until the year they turned 21.

Mr. Fair moved that the Board approve the Department's plan for monitoring school districts' implementation of, and compliance with, the requirements of Section 1008.25(5)-(7), Florida Statutes, regarding third grade promotion requirements, as presented. Ms. Johnson seconded the motion.

Mr. García expressed concern about the philosophy behind the monitoring, that this was treating the symptoms, not the disease. He said that 55 percent of K-12 students do not read at grade level for a number of reasons. He suggested that the State should track teacher performance as well as student performance. He disagreed that it was more difficult to teach a student from a disadvantaged background. Commissioner Horne stated emphatically that schools welcomed every student. He said the monitoring was but one piece of a total package. Ms. Bradshaw said it would be difficult to monitor a "bad" teacher. This plan would measure each student's learning gains. The Commissioner noted that Florida was rich in data, and needed to show courage in following the data. Mr. Fair said it was important to focus on site visits. He said he was pleased with the monitoring process; Dade County had used FCAT results to reassign teachers.

There were no further comments. Members concurred unanimously.

7. Guidelines by which the State Board will Review Charter School Appeals

Mr. Handy said the agenda included the Charter School Appeal Commission Guidelines. He said that this Board would sit in review of charter school appeals. The Board needed to approve the Commission's Guidelines and the process. The Commissioner said that prior to the new School Code, this review process was a "back and forth" process between the old State Board and the School District. This Board now had authority for final determination, with review by the First District Court of Appeals. He said he had appointed the members of the Charter School Appeal Commission, including five members from charter schools and five from school districts, and a designee of the Commissioner. He introduced Dr. Alex Penn-Williams who would be his designee to the Commission and staff for these appeals.

Dr. Penn-Williams reviewed the process, stating that the Board would review the applications only to the issues as to which the application had been denied by the School Board; the decision of this Board was to accept or reject the decision of the School Board. The ultimate question was whether or not the district school board denial of an appeal was well founded and based on good cause. In addition, the Board would also review appeals from Charter Schools whose charters were not renewed by the School Board; these Guidelines were not yet complete.

She said Board members would receive copies of the applications, evidence in support of, and against, the objections raised by the School Board, copies of the School Board's denial, copies of the notice of appeal, arguments/briefs from both parties, and the recommendations of the Charter School Commission. She distributed an Appeal Analysis Worksheet and a Sample Analysis. She said the Commission could deny the School Board decision; deny the petition with directions to the applicant; accept the School Board decision; or accept the School Board's decision with recommendations to the School Board to improve the application. She noted that the State Board's decision was not subject to Chapter 120, F.S.; that State Board action was final agency action subject to judicial review.

Mr. Fair moved that the Board approve the process and the Guidelines, as presented. Dr. Eads seconded the motion.

Mr. García inquired about the time to be allotted to each appeal. Dr. Penn-Williams said the Commission would allot 20 minutes to each side, with Commission questions to follow, for a total of approximately 90 minutes per case. Mr. García suggested 10 minutes per side and another 10 minutes for questions. Mr. Woodring noted that the Cabinet generally spent from five to 25 minutes on these cases, without the benefit of the Appeals Commission. Ms. Bradshaw said it would be helpful to have the transcripts of the oral arguments before the Commission.

Mr. Fair said the Board needed to be careful not to sit as another Appeals Commission; the Commission would make recommendations on the available evidence. He said this Board should limit the presentations to 5 minutes. After further discussion, the Board agreed that each side should be given 5 minutes, 10 minutes for questions, for a total of 20 minutes per appeal.

There were no further comments, and members concurred unanimously.

8. Consent Agenda

Mr. Handy advised the Board members that Item H., Rule 6E-2.0041, Delivery of Programs through Nontraditional Assessments, Modes and Methods, had been withdrawn for further review by the Commission for Independent Education. Mr. Fair moved that the Board approve the remaining items, as presented. Dr. Proctor seconded the motion, and members of the Board concurred.

- A. Resolution requesting the Division of Bond Finance of the State Board of Administration to issue Revenue Bonds on Behalf of FAMU to Refinance All or a Portion of Certain Housing Facility Bonds of the University

The Board adopted a resolution requesting the Division of Bond Finance of the State Board of Administration of Florida to issue revenue bonds on behalf of Florida A & M University, in an amount not exceeding \$7 million for the purpose of refinancing all or a portion of the outstanding \$7.4 million State of Florida, Board of Regents, Florida A & M University Student Apartment Facility Revenue Bonds, Series 1992, as presented.

- B. Resolution requesting the Division of Bond Finance of the State Board of Administration to issue Revenue Bonds on Behalf of FSU to Refinance All or a Portion of Certain Parking Facility Bonds of the University

The Board adopted a resolution requesting the Division of Bond Finance of the State Board of Administration of Florida to issue revenue bonds on behalf of Florida State University, in an amount not exceeding \$6.5 million for the purpose of refinancing all or a portion of the outstanding \$8 million State of Florida, Board of Regents, Florida State University Parking Facility Revenue Bonds, Series 1992, as presented.

- C. Resolution requesting the Division of Bond Finance of the State Board of Administration to issue Revenue Bonds on Behalf of UCF to Finance the Construction of a Parking Facility at the University

The Board approved the financing plan and adopted a resolution requesting the issuance of revenue bonds in an amount not to exceed \$13,550,000 to finance a new 1600 space parking garage at the University of Central Florida, as presented. Issuance of the bonds shall be contingent upon final approval of the Campus Master Plan and the Campus Development Agreement to include the proposed parking facility project.

- D. Resolution Approving the Financing of the Costs of the Acquisition and Construction of an Athletic Training Facility on USF's Tampa Campus by the USF Foundation, Inc.

The Board approved the financing plan and adopted a resolution authorizing the issuance of fixed or variable rate, tax-exempt certificates of participation, in one or more installments, by the University of South Florida Foundation, Inc., on behalf of the University of South Florida in an amount not to exceed \$13.2 million for the purpose of financing the acquisition and construction of the Intercollegiate Athletics Project, provided that the debt service coverage ratio is not less than 1.20. Further, the Board authorized the Chairman, the Vice Chairman, the Chief Financial Officer and other authorized representatives of the State Board of Education to execute the necessary contractual documents related to the financing of the project, as presented.

- E. Resolution Approving the Financing of the Costs of the Acquisition and Construction of Certain Student Residence Facilities on USF's Tampa Campus by the USF Foundation, Inc.

The Board approved the financing plan and adopted a resolution authorizing the issuance of variable or fixed rate, tax-exempt certificates of participation by the University of South Florida Foundation, Inc., on behalf of the University of South Florida, in an amount not to exceed \$36 million, provided that the debt service coverage ratio based on available housing system revenues after the payment of the prior lien obligations is not less than 1.20. Further, the Board authorized the Chairman, the Vice Chairman, the Chief Financial Officer and other authorized representatives of the State Board of Education to execute the necessary contractual documents related to the financing of the project, as presented.

- F. Resolution requesting the Division of Bond Finance of the State Board of Administration to issue Revenue Bonds on behalf of the State University System of Florida to Refinance All or a Portion of Certain Revenue Certificates of the State University System

The Board adopted a resolution requesting the Division of Bond Finance of the State Board of Administration of Florida to issue revenue bonds on behalf of the State University System of Florida, in an amount not exceeding \$58 million for the purpose of refinancing all or a portion of the outstanding State of Florida, Board of Regents, University System Improvement Revenue Refunding Certificates, Series 1993, as presented.

- G. Approval of Rule 6A-4.0021, Florida Teacher Certification Examination; and Approval of Rule 6A-4.00821, Florida Educational Leadership Examination

The Board approved amended Rule 6A-4.0021, Florida Teacher Certification Examination, and amended Rule 6A-4.00821, Florida Educational Leadership Examination, as presented.

- H. Adoption of Rule 6E-2.0041, Delivery of Programs through Nontraditional Assessments, Modes and Methods

This item was withdrawn for further review.

- I. Approval of Rule 6E-2.008, Approval of Modifications

The Board approved proposed Rule 6E-2.008, Approval of Modifications, as presented.

- J. Approval of Rule 6E-2.0081, Change of Ownership or Control

The Board approved proposed Rule 6E-2.0081, Change of Ownership or Control, as presented.

- K. Approval of Rule 6E-2.010, Agents

The Board approved proposed Rule 6E-2.010, Agents, as presented.

- L. Approval of Rule 6E-4.005, Student Protection Fund; Trainout Procedures for Closure

The Board approved proposed Rule 6E-4.005, Student Protection Fund; Trainout Procedures for Closure, as presented.

- M. Report on University Branch Campus Programmatic Growth

The Board accepted the staff report on the increase in complete baccalaureate programs for counties specified in budget proviso language, to be forwarded to the Legislature, as presented.

- N. Report of the Florida Community College System's Annual Equity Progress

The Board accepted the Florida Community College System's Annual Equity Progress Report, as presented.

9. Miscellaneous

Mr. Handy said the March 18 and April 15, 2003, Board meetings would be held in Tallahassee. He said he had heard suggestions for a workshop on Strategic Imperative #1 and the implementation of Class Size Reduction, and for a workshop on the issues surrounding the implementation of Universal Pre-Kindergarten Education. He suggested that the Board hold a workshop on March 17, 2003, prior to the next Board meeting. He said the Board currently had meetings scheduled through June. He said the Board should review the calendar for the rest of the year at the March meeting. Mr. Handy said Board members would like to receive copies of the Commissioner's weekly email messages to teachers in the State, and copies of the reports from CEPRI.

10. Adjournment

Having no further business, Chairman Handy adjourned the regular meeting of the State Board of Education at 2:15 p.m., February 18, 2003.

F. Philip Handy,
Chairman

Mary-Anne Bestebreurtje,
Corporate Secretary