



CLASSROOMS FIRST INITIATIVE COUNCIL MINUTES

General Meeting – September 10, 2015 2:30 P.M.

Location: 1700 W. Washington
2nd Floor Conference Room
Phoenix, Arizona 85007

Members Present: Alicia Alvarez, Brian Capistran, Tim Carter, Susan Chan, Janna Day, Annie Gilbert, Kenneth Hicks, Beth Maloney, Greg Miller, Co-Chair Jim Swanson, and Dawn Wallace

Members Absent: Governor Doug Ducey, Superintendent Diane Douglas

Staff Present: Carmen Ronan, Kristin Sorensen

Call to Order, Welcome & Introductions

Mr. Jim Swanson called the meeting to order at 2:34 P.M.

Mr. Swanson then called for an approval of the August 27, 2015 council meeting minutes as presented. Annie Gilbert motioned for approval and Susan Chan seconded; the motion passed unanimously.

Public Comments

Jenifer Kasten of Decoding Dyslexia Arizona spoke about how difficult it was to get dyslexia services for her daughter in the public school system. She stated that dyslexia affects almost one in five children and discouraged the state from identifying special education needs based on the current number of children identified as learning disabled because children with reading disabilities are being under-identified. She encouraged increased funding for professional development to help teachers understand the warning signs of dyslexia.

Jim Hall of Arizonans for Charter School Accountability said that increasing funding for special education and at-risk students would be difficult to implement without raising taxes. He cautioned that without increasing taxes, funding will merely be shifted and Arizona's problems will not be solved. He also expressed disapproval regarding the amount charter schools spend on administrative costs.

Presentation: Joint Technical Education District (JTED) Funding

Tina Norton, Assistant Superintendent for Pima County JTED, David Schapira, Assistant Superintendent of the East Valley Institute of Technology (EVIT), and Jeremy Plumb, Superintendent of the Mountain Institute JTED, presented information on current JTED funding.

Ms. Norton said JTEDs develop a skilled workforce by helping students attain industry certifications, technical and employability skills, and preparing them to succeed in postsecondary education. She said JTED students graduate at a 20 percent higher rate than traditional students, perform better on high stakes tests, and have higher attendance rates – primarily because they learn in terms of real-world relevance.

Ms. Norton explained that JTEDs are funded like any other district, except they do not receive special education funding (group A and B weights) or transportation funding (TSL, TRCL). Additionally, JTED Property tax is capped at \$.05 per \$100 in secondary assessed value and funding is meant to enhance, not supplant, career and technical education courses and directly related equipment and facilities. She said statute authorizes students in grades 10 through 12 to take CTE courses; however, in practice, 9th graders are in CTE programs and they do not generate funding. Ms. Norton also noted that JTED funding has decreased since 2011.

Ms. Norton described how funding is allocated based on type of JTED. She said a JTED can be any type of school (district, charter, private, homeschool), and JTEDs can either have central (e.g., EVIT) or satellite enrollment and can contract with community colleges. Most students participate in a satellite model at their home high school. Students participating in a satellite model are funded at up to 1.25 ADM, with 1.0 ADM going to the district and .25 ADM going to the JTED (i.e., it takes 4 JTED students to equal 1.00 ADM). ADM is then multiplied by the high school weight and base support level. Students are funded once, which means if they participate in more than one CTE class, they are only counted once; so only 49.7 percent of satellite students generate funding. Students attending a central model can generate up to 1.75 ADM; however, only about half of students reach this cap. Additionally, Student Count and ADM are equivalent for JTEDs.

Ms. Norton said that in FY 16/17 JTED school districts' base support level for CTE/JTED students will decrease by 7.5 percent (this funding change was enacted by changing statute). She added that urban districts are funded at 95.5 percent, while rural JTEDs are fully funded.

Kenneth Hicks asked how current year allocation would affect JTED satellite programs. Ms. Norton said more JTEDs will likely be pushed into a declining enrollment situation and will be forced to make cuts in the current year.

Update: Equitable Funding Structure Working Group

Mr. Hicks opened the floor for discussion of the recommendations the Working Group is developing:

- High school weight – Jim Swanson suggested using analytical data to determine whether the current weight amount Arizona is applying to high schools is correct; Susan Chan concurred. Mr. Carter said whether schools get the high school weight depends on the demand for a comprehensive high school experience. He elaborated, saying district schools are comprehensive and offer as many extracurricular activities as they can, whereas many charters focus mostly on academics. Greg Miller suggested the Council should support the opportunities for both comprehensive and non-comprehensive high school models. Beth Maloney suggested adding full-day kindergarten to the conversation; Ms. Chan and Mr. Swanson concurred. Mr. Carter responded that the Council may want to consider models of comprehensive versus strictly academic schools, rather than elementary versus high school.

- Collapsing the Group A weight – Discussion revolved around either moving the Group A weight into the base or moving it into special education services. Mr. Hicks said the current distribution is based on the assumption that approximately 10 percent of all students are categorized as special education, but that is not the experience in all districts. Ildi Laczko-Kerr of the Arizona Charter Schools Association clarified that the Group A weight is not simply provided for special education; it includes gifted students and interventions for students who are struggling. Ms. Maloney asked if dyslexic students are in Group A. Ms. Laczko-Kerr said if dyslexic students are identified appropriately by their school they have a Group B weight, otherwise they may use services captured under the Group A weight. Chuck Essigs of the Arizona Association of School Business Officials added that the two largest categories of students in the Group A weight are learning disabled and speech disabled students. Mr. Essigs suggested that the Council apportion out the share of the Group A category meant for disabled students into Group B and leave some dollars in Group A for remedial education.
- Teacher Experience Index (TEI) – Mr. Swanson proposed repackaging TEI funding for more results-oriented programs around coaching or mentoring. Mr. Swanson asked Council members if they could agree to repurpose TEI. The Council generally concurred.
- Poverty/Opportunity weight – The Working Group discussed moving from weights to dollar amounts.
- Special education cost study – Most members expressed desire for a new cost study.
- District/Charter Additional Assistance (DAA/CAA) – Mr. Swanson asked if capital needs of districts could be funded through District Additional Assistance. Mr. Carter said if total bond and override dollars were added together with total funding provided to school districts, it would be unlikely that the legislature would fund this large amount. Mr. Essigs clarified that approximately \$1.3 billion would be needed to pay for existing bonds. Lisa Graham Keegan of A for Arizona said if a child has a dollar amount attached to him/her for capital, bonding companies would pay more attention to school quality, and political reality should not be a deterrent; Mr. Swanson echoed this. Mr. Essigs referred to a past Supreme Court capital funding case that resulted in the state creating a formula for building renewal and soft capital. He urged the Council to go back and look at whether the Supreme Court settlement with Students First worked. Mr. Carter suggested if schools were funded appropriately, the need for bonds would diminish over time, but the bond option could still be left for districts that want it.
- Transportation – The Working Group discussed going back to the CAA and providing a mechanism to be reimbursed for transportation and potentially conducting a transportation cost study.

Update: Incentives for Excellence Working Group

Mr. Miller summarized recommendations the Working Group is developing:

- Achievement Weight – LEAs that have an “A” grade would receive an achievement weight of X (X equals an unspecified dollar amount) for 20 percent or fewer Free and Reduced Lunch (FRL) students, 1.5X for 20 to 60 percent FRL, and 2 to 2.5X for 60 and greater FRL. There would also be recognition for “C” and “B”-grade LEAs that have shown substantive

growth. There is general consensus agreement around this recommendation.

- Access to unused facilities – The group discussed removing barriers that currently exist for districts to sell excess properties and facilities and making any abandoned facilities available for repurposing after a set time (e.g., after three to five years of being unused).
- Certification by LEAs – There were concerns about the administrative burden this would create for schools. However Mr. Miller said there are many State Board rules that could be altered to make the certification process more timely.
- Site budgeting/including the principal in the school budget control process – There was not widespread support for making it mandatory for principals to manage budgets, but there was support for allowing principals to have more input in the budgeting process.

Update: Student Centered Learning Priorities Working Group

Ms. Maloney summarized recommendations the Working Group is developing:

- Opportunity Weight – This weight could help districts with high percentages of students in FRL build and start programs that would help them move up in the A-F system; once they have improved, they could receive incentives for achievement (Achievement Weight). Dawn Wallace asked what the policy implications are if a school is still underperforming after a few years of receiving the opportunity weight. Mr. Miller responded that there is already a mechanism in place for taking over a school that lies with the State Board. However, this requires a minimum of 40 percent personnel change, which is a huge challenge due to teacher shortage. He added that the Council could try to make the program that already exists in statute and Board rule workable.
- Special education cost study – The group agrees the cost study needs to be updated.
- Exceptional Cost Fund – The fund exists in statute but has not been funded since 2009. The group is looking at potentially revisiting the statute, having the fund reinstated, or using the fund for the highest impact students.
- Transparency – Some states are moving toward a chart of accounts model that allows parents to go to a school website and find out how a school is spending its money. The group is looking at how this could be implemented.
- Human Capital – The group is reviewing starting pay for teachers and the step program for teacher pay. They discussed leadership and mentorship programs for teachers and principals and teacher preparation programs.

Next Meeting

Mr. Swanson advised that the Council will have its next meeting on September 22, 2015. Ms. Wallace added that Governor Ducey had previously planned to be at the September 22 meeting, but he can no longer attend because he was invited to greet Pope Francis at the White House. Ms. Wallace said the Governor will still be updated on the Council's progress.

Adjourn

With no further business before the Council, Mr. Swanson adjourned the meeting at 4:56 P.M.