

**MINUTES**  
**JOINT MEETING**  
**OF THE**  
**HOUSE AND SENATE INTERIM COMMITTEES ON EDUCATION**

**Monday, April 9, 2012**  
**1:30 P.M.**  
**Room 171, State Capitol**  
**Little Rock, Arkansas**

Representative Eddie Cheatham, the Chair of the House Interim Committee on Education, called the meeting to order at 1:30 p.m.

**MEMBERS OF THE SENATE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE:** Senator Jimmy Jeffress, Chair; Senator Mary Anne Salmon, Vice Chair; Senator Joyce Elliott; Senator Kim Hendren; Senator Gene Jeffress; and Senator Johnny Key.

**MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE:** Representative Eddie Cheatham, Chair; Representative Johnnie Roebuck, Vice Chair; Representative Duncan Baird; Representative Toni Bradford; Representative Jerry Brown; Representative Les Carnine; Representative Ann Clemmer; Representative Robert Dale; Representative Jane English; Representative Debra Hobbs; Representative Karen Hopper; Representative Donna Hutchinson; Representative Bobby Pierce; Representative Tracy Steele; Representative Randy Stewart; and Representative Tommy Wren.

**NON-VOTING MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE:** Representative John Catlett; Representative Gary Deffenbaugh; Representative Jeremy Gillam; Representative Justin Harris; Representative Andrea Lea; Representative Homer Lenderman; Representative Kelley Linck; Representative Tiffany Rogers; and Representative Garry Smith.

**OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE:** Senator Mike Fletcher; Senator Stephanie Flowers; Senator Jeremy Hutchinson; Senator Randy Lavery; Senator Eddie Joe Williams; Representative Tommy Lee Baker; Representative Lori Benedict; Representative David Branscum; Representative John Burris; Representative Efre Elliott; Representative David Fielding; Representative Billy Gaskill; Representative Kim Hammer; Representative Jon Hubbard; Representative Sheilla Lampkin; Representative Uvalde Lindsey; Representative Buddy Lovell; Representative Loy Mauch; Representative Mike Patterson; Representative Tracy Pennartz; Representative Tommy Thompson; and Representative Charolette Wagner.

*Without objection, the minutes of March 12, 2012, and March 13, 2012, were approved as written.*

Reports from Members Who Attended Recent Meetings Concerning Public or Higher Education

**The Honorable Ann Clemmer**, State Representative, District 29, was recognized. Representative Clemmer said she recently attended the Grad Nation Summit 2012, a gathering to discuss challenges and solutions for ending America's high school dropout crisis, and found it an enlightening three-day conference. Noting that the trip was not legislative travel, Representative Clemmer explained that the

Grad Nation Summit 2012 is an effort of America's Promise, and had a number of corporate sponsors, including AT&T, the Bill & Melinda Gates Foundation, StateFarm, and Target. Representative Clemmer noted that dropout rates are measured differently from state to state, and commented that she had thought Arkansas had good graduation statistics. After briefly discussing the graduation rate calculation methodology used by Arkansas, Representative Clemmer stated there are many sides to this problem and the issue is going to take on greater importance. She concluded by saying that Arkansas is going to have to think about what is in the best interest of students as it moves forward in addressing this policy issue.

Following Representative Clemmer's report, there was a brief discussion about:

1. having the chair or a member of the Arkansas Project Graduation Commission make a presentation on related subject matter to the Committees, and
2. implementation of the new high school graduation reporting system and its effect.

Representative Cheatham agreed this is an important issue that requires attention. He thanked Representative Clemmer and other members for their comments.

Review of Division of Legislative Audit Reports, "Department of Education Grants Summarized by the Division of Legislative Audit for the Year Ended June 30, 2010" and "Department of Education Grants Summarized by the Division of Legislative Audit for the Year Ended June 30, 2011"

**Mr. David W. Webb**, Audit Supervisor, Division of Legislative Audit, was recognized. Mr. Webb stated that each year the Division of Legislative Audit prepares a summary of all grants that are distributed by the Arkansas Department of Education (ADE). He said that \$3.4 billion was distributed during FY2011, and \$3.3 billion was distributed in FY2010. The monies were provided as grants to school districts, education cooperatives, and other entities. The grants are funded from both state and federal sources, and these sources are summarized on page 1 of each of the reports. He explained that, in the reports, the starting point in identifying and summarizing all of the grant payments that are made to all of the recipients each year is the listing of expenditures recorded by the ADE as assistance grants-in-aid in the state's accounting system, which is known as Arkansas Administrative Statewide Information System (AASIS). The agency also provides the Division of Legislative Audit with information concerning additional outflows of funds, called *transfers*, that are included in these reports. Mr. Webb went on to discuss the various spreadsheets that make up the reports. Mr. Webb said the reports are available on the Division's Web site at <http://www.legaudit.state.ar.us/>.

A brief discussion ensued following the review. Topics included:

1. funding for the Easter Seals program, and
2. types of schools that are recipients of these funds.

Representative Cheatham thanked Mr. Webb for the review.

Preliminary Discussion of Interim Study Proposal (ISP) 2011-070 by Representative Kelley Linck, TO ALLOW SCHOOL DISTRICTS THAT HAVE BEEN CONSOLIDATED TO SELL, PRESERVE, LEASE, OR DONATE REAL PROPERTY THAT IS NO LONGER UTILIZED BY THE SCHOOL DISTRICTS.

**The Honorable Kelley Linck**, State Representative, District 86, was recognized. Representative Linck commented that this proposal addresses the issue of school buildings sitting empty, particularly in rural areas, and of opening up state mechanisms currently in place to make it easier for communities to use the property.

**Ms. Renee Carr**, Executive Director, Rural Community Alliance, **Ms. Cindy Aikman**, Member, Rural Community Alliance, **Ms. Dorothy Singleton**, Lead Organizer, Rural Community Alliance, and **Ms. Lavina Grandon**, President, Rural Community Alliance, were recognized. Ms. Carr explained that the Rural Community Alliance (RCA) is a member-based organization, interested in the concerns and issues of its 1,300 members across Arkansas. She used a PowerPoint presentation, *Abandoned School Buildings*, to introduce testimony on school buildings vacated primarily as a result of consolidation. She said that the school building may be the only capital asset for some rural communities, and that these communities aren't upset about how the buildings are used, but about the buildings not being used at all. She stated that this is a significant and growing issue.

Ms. Aikman was introduced and related a history of the Fourche Valley campus in Yell County, which was consolidated under Act 60 in 2004 and has been vacant since 2008. She said a community development association was formed and tried unsuccessfully for four years to gain use of the campus. She said an arrangement was finally negotiated to indefinitely lease one metal building, formerly the Fourche Valley Preschool, which was turned into a community center. The arrangement was made easier by the fact that this building was owned by the county and not by the school district. However, a nonprofit organization had to be formed in order to accept the building. She said another relatively new building sitting vacant and padlocked on the campus is the gym building which houses a cafeteria, a science lab, and a computer lab, all paid for by the community. She stated its utilities are turned off, rumors are it is not being insured, and it is falling into disrepair.

Ms. Singleton spoke of efforts by the Altheimer community to acquire the Martin High School building and turn it into a museum and cultural center. She said the indecision of the school board over a five-year period has stalled these efforts, during which time the vacated building has been deteriorating.

Ms. Carr showed additional slides and discussed how several facilities have been successfully repurposed, including those of Elaine School, Paron High School, and Old Norfolk School. Ms. Grandon discussed the repurposing of the Parthenon School. Ms. Grandon said she appreciated the interest in this issue and commented that community revitalization is difficult without the use of these public economic assets.

Following the presentation, a lengthy discussion ensued. **Mr. Tony Wood**, Deputy Commissioner, Arkansas Department of Education, and **Mr. Ron Harder**, Policy Service & Advocacy Director, Arkansas School Boards Association, were recognized, and participated in the discussion as needed. Topics included:

- ownership of buildings vacated by the consolidation of school districts,
- proposals for repurposing the gym building on the Fourche Valley campus,
- problems with the school board over use of buildings,
- concern about competition for a public school coming from a private or charter school occupying vacated buildings,
- revising the adequacy formula to provide a solution to the handling of vacated buildings,
- use of vacated buildings for school-based clinics as possibly within the intent of the ISP,

- interpretation of uses falling under the term, “educational for beneficial purposes,”
- donating vacated buildings and land back to the county or city,
- time period during which a plan has to be made for vacated buildings,
- requiring vacated buildings to be subject to inspection and maintenance by law,
- providing proof of insurance for vacated school buildings,
- securing an Attorney General’s opinion to settle the question of whether Article 14, Section 2 of the state Constitution will permit the donation of school facilities,
- use of federal funds and joint use of public facilities, and
- “state property” vs. “school district property.”

Representative Linck said he appreciated the great amount of interest in this issue shown by his colleagues. He looked forward to working on the ISP for the rest of the interim, and, with the Chair’s permission, reviewing it again before the next session.

Representative Cheatham thanked Representative Linck and the presenters.

Adoption and Preliminary Discussion of Interim Study Proposal (ISP) 2011-200 by Senator Eddie Joe Williams, REQUESTING THAT THE ARKANSAS LEGISLATIVE COUNCIL ASSIGN TO THE INTERIM SENATE COMMITTEE ON EDUCATION A STUDY OF THE INTERSTATE COMPACT ON EDUCATIONAL OPPORTUNITY FOR MILITARY CHILDREN.

**The Honorable Eddie Joe Williams**, State Senator, District 28, was recognized. Senator Williams introduced **Mr. Larry Biernacke**, a member of the Little Rock Air Force Base Community Council, and **Mr. Daniel Gray**, Chair of the Education Committee, Jacksonville Chamber of Commerce, and presented a brief background for the ISP.

Representative Cheatham made a motion to refer Interim Study Proposal (ISP) 2011-200 to the K-12, Vocational-Technical Institutions Subcommittee of the House Interim Committee on Education. Without objection, the motion to refer the ISP was carried.

Representative Cheatham said this is a very interesting subject and looked forward to the information coming out of the Subcommittee.

Continued Discussion of Issues Associated with Proposed Changes to the State’s System of Adult Education

**Mr. Bill Walker**, Director, Arkansas Department of Career Education, and **Mr. Jim Smith**, Deputy Director, Adult Education Division, Arkansas Department of Career Education, were recognized, and continued a presentation on Arkansas’s system of adult education. A handout, *Adult Education Program, Statistical Data Report*, with expanded data showing percentages, was distributed to Committee members. Mr. Smith explained how data in the report is collected and how programmers are working to refine the sorting of data for retrieval of particularized information.

**The Honorable Stephanie Flowers**, State Senator, District 5, and **Mr. Jesse Rawls**, Director, Jefferson County Regional Adult Education Center, were recognized, and participated in a lengthy discussion with Mr. Walker and Mr. Smith. The matters of contention were:

1. the Watson Chapel School District no longer serving in the capacity of local education agency (LEA) for the Jefferson County Regional Adult Education Center as of June 30, 2012, and
2. the mechanics of submitting written notification of this event to the Arkansas Department of Career Education (ADCE) by the Watson Chapel School District.

Senator Flowers discussed the above matters relative to the Jefferson County Regional Adult Education Center:

- the Jefferson County Regional Adult Education Center will shut down,
- twenty-two (22) people will lose employment when the center closes,
- there will be no certified General Educational Development (GED) testing center in the region to serve the University of Arkansas at Pine Bluff (UAPB), certain units of the Arkansas Department of Community Correction, and others, including the area's public schools in which there is a graduation problem, and
- approval of a change in LEA so that Southeast Arkansas College (SEARK) in Pine Bluff, AR, can become the new LEA for the center.

Senator Flowers stated she had been to the Governor's office about this issue, and the only thing she learned was that the ADCE planned to do nothing until after June 30, 2012. Senator Flowers made an emphatic request for a decision to be made on a new LEA so her constituents would know what to expect come June 30.

Mr. Walker stated that the Watson Chapel Adult Education Center covers Jefferson, Dallas, and Cleveland counties. He said that there are currently two LEAs, UAPB and Watson Chapel, in the Jefferson County area. He explained that the ADCE has not officially received a letter from Watson Chapel to the effect that the district no longer plans to be the LEA for the Jefferson County Regional Adult Education Center. He said that if, in fact, because of what has been shared, and if, in fact, it is the district's decision to no longer be the LEA, the ADCE does have a temporary contingent plan in place to assure services will continue to be provided. He stated that the ADCE has not yet decided whether a new LEA would be established. He stated that from reviewing the 11,092 eligibles in the Jefferson County area, it is not believed there will be a need for two LEAs in Jefferson County in future planning.

Mr. Rawls stated that there's a lot of anxiety and frustration in every center in Arkansas. He said the advisory board has recommended that the funding issue be studied for one year with the formula of 80/20, plus a 10% cap, plus or minus. He commented that a number of programs in the state are talking about voluntary mergers. He said if that would come about, this issue could be worked out from the bottom up rather than the top down and stop a lot of confusion. He said he is not opposed to change, but there has been a lack of any clarification or information forthcoming from the ADCE to assuage the uncertainty.

**Ms. Janice Hanlon**, GED Test Administrator, Arkansas Department of Workforce Education, was recognized, and participated, as needed, in the discussion following the presentation. Topics included:

- o clarification that the *Statistical Data Report* now has comparable data shown in percentages by which programs in the state can be realistically compared,
- o consolidation and closing of some adult education centers,
- o workers at Jefferson County Regional Adult Education Center are actually employees of Watson Chapel School District,
- o rehiring of persons who lose employment by the next LEA,

- responsibility for payment of unemployment benefits to persons who lose employment,
- pay scale upon rehire for those who will lose employment by the closing of the center,
- effect on retirement and insurance benefits for those who lose employment,
- number of students served by the twenty-two (22) affected employees,
- reasoning behind discontinuing the program,
- origins of the Jefferson County Regional Adult Education Center,
- approval of Ms. Janice Hanlon needed to establish another certified testing center,
- LEAs are responsible for making their own decisions,
- distinguishing between “serve” and “enroll,”
- agreement that LEA ought to have presence on a higher education campus,
- deadline for notifying secondary school employees if they have continued employment or not is May 1,
- arriving at categories and data matching on the *Statistical Data Report*,
- deciding this issue is a function of the Executive Branch of government,
- paying all or part of the charge for GED testing is a policy question,
- current components of the funding formula,
- cover memorandum dated April 4, 2012, and letter dated April 2, 2012, requesting information as to the possible changes to the funding formula for adult education,
- “performance-based” factoring into the philosophy of determining a new LEA,
- recommendations sought from legislators by ADCE,
- narrowing down the scenarios for the program, following up with administrators and directors, and timelines,
- conclusive joint meeting of the fifty (50) LEAs statewide,
- development of performance standards. (*Mr. Walker commented that he had misspoken regarding the Standards of a Quality Adult Education Program, distributed to the Committees at the meeting on March 12, 2012. He clarified that the advisory committee had voted to review, study, and continue to work on the Standards, not to approve them.*),
- federal and other funding for the program,
- cost for the GED,
- guidelines for acceptance of 16- to 17-year-olds in the GED program, and
- ADCE to release two scenarios to LEAs this week.

**Ms. Gail Shrum**, Director, Stuttgart Adult Education Center, was recognized. Ms. Shrum spoke from the perspective of small adult education centers. She discussed the effects of the funding formula and the uncertainty about what these centers will do without having a final plan. She said that data needs to be seen on what the funding will be in order to make decisions. She said she wants to know what the final plan is, not options on the table, and time to prepare for that plan.

Following Ms. Shrum’s comments, a brief discussion took place on when the first announcement came on the possibility of changes and the options that were available.

Representative Cheatham thanked the presenters for their remarks.

Representative Cheatham announced that the Committees would meet again at 9:00 a.m. tomorrow, Tuesday, April 10, 2012, in Room 171 of the State Capitol in Little Rock to discuss adequacy issues. The next joint meetings of the Senate Interim Committee on Education and the House Interim Committee on Education would be at 1:30 p.m. on Monday, May 7, 2012, in Room 171 of the State

Capitol in Little Rock, and at 9:00 a.m. on Tuesday, May 8, 2012, in Room 171 of the State Capitol in Little Rock. The meeting on Tuesday would be reserved for issues on adequacy.

There being no further business, the meeting adjourned at 4:45 p.m.

*Approved: 05/07/12*