EXHIBIT B

MINUTES

JOINT MEETING
OF THE
HOUSE AND SENATE INTERIM COMMITTEES ON EDUCATION

Wednesday, October 28, 2009
2:30 P.M.
Room 171, State Capitol
Little Rock, Arkansas

Senator Jimmy Jeffress, the Chair of the Senate Interim Committee on Education, called the meeting to order at 2:30 p.m.

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

MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Bill Abernathy, Chair; Representative Nancy Blount, Vice-Chair; Representative Monty Betts; Representative Toni Bradford; Representative Steve Breedlove; Representative Jerry Brown; Representative Les Carnine; Representative Eddie Cheatham; Representative David Cook; Representative Jody Dickinson; Representative Donna Hutchinson; Representative Mark Martin; Representative Mark Perry; Representative David Rainey; Representative R.D. Saunders; Representative Tim Summers; Representative Linda Tyler; and Representative Charolette Wagner.

NON-VOTING MEMBERS OF THE HOUSE INTERIM COMMITTEE ON EDUCATION IN ATTENDANCE: Representative Ann Clemmer; Representative Steve Cole; Representative Debra Hobbs; Representative Karen Hopper; Representative Uvalde Lindsey; Representative Johnnie Roebuck; Representative Tiffany Rogers; Representative Mary Slinkard; and Representative Darrin Williams.

OTHER MEMBERS OF THE GENERAL ASSEMBLY IN ATTENDANCE: Senator Bill Pritchard; Senator Larry Teague; Senator Ed Wilkinson; Representative Richard Carroll; Representative Monty Davenport; Representative David Dunn; Representative Jane English; Representative Billy Gaskill; Representative Nathan George; Representative Ray Kidd; Representative Buddy Lovell; Representative Barbara Nix; Representative George Overbey; Representative Mike Patterson; and Representative Gregg Reep.

Without objection, the minutes of October 6, 2009, were approved as written.

Senator Jeffress announced that the Committees would deviate from the published agenda and discuss the two (2) interim study proposals that comprised Agenda Item D.

Adoption of Interim Study Proposals

Representative Abernathy, the Chair of the House Interim Committee on Education, was recognized and discussed the following interim study proposals:

1. **Interim Study Proposal 2009-198 by Representative Abernathy**, REQUESTING THE HOUSE INTERIM COMMITTEE ON EDUCATION AND THE SENATE INTERIM COMMITTEE ON EDUCATION CONDUCT A STUDY OF THE ARKANSAS DEPARTMENT OF EDUCATION PROGRAMS AND CONTRACTED SERVICES DESIGNED TO IDENTIFY STRUGGLING SCHOOLS, EVALUATE THE PROGRAMMATIC AND CURRICULAR OFFERINGS, AND IMPLEMENT CORRECTIVE ACTIONS TO IMPROVE STUDENT ACHIEVEMENT.

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2. **Interim Study Proposal 2009-199 by Representative Abernathy and Representative M. Burris,** REQUESTING THE HOUSE INTERIM COMMITTEE ON EDUCATION AND THE SENATE INTERIM COMMITTEE ON EDUCATION CONDUCT A STUDY OF THE IDENTIFICATION, INSTRUCTION, AND ASSESSMENT OF STUDENTS WITH DYSLEXIA.

Without objection, Interim Study Proposal 2009-198 by Representative Abernathy, and Interim Study Proposal 2009-199 by Representative Abernathy and Representative M. Burris, were adopted as written.

Discussion of Arkansas Department of Education (ADE) Contracts Referred to the Committees by the Review Subcommittee of the Arkansas Legislative Council

Senator Jeffress announced that the Committees would now discuss Agenda Item C, which had been referred to the Committees by the Review Subcommittee of the Arkansas Legislative Council. The Arkansas Department of Education (ADE) had provided written information to questions that had come out of the scrutiny of the ADE's Scholastic Audit contracts by the Review Subcommittee. The written information would be gone over and reported on by the Commissioner and staff from the ADE.

Dr. Tom Kimbrell, Commissioner, Arkansas Department of Education, **Dr. Diana Julian,** Deputy Commissioner, Arkansas Department of Education, **Ms. Estelle Matthis,** Director, Education Renewal Zones/Scholastic Audit, Arkansas Department of Education, and **Mr. John Kunkel,** Associate Director for Agency Finance, Arkansas Department of Education, were recognized.

Dr. Kimbrell presented an overview of the Scholastic Audit program. He said that Arkansas adopted the Scholastic Audit model from Kentucky in order to try to help schools identify areas of weakness in their instructional programs and develop instructional intervention models that would improve schools' academic achievement. He said that educators develop sets of recommendations for change for a school to put into its Arkansas Comprehensive School Improvement Plan (ACSIP) for implementation. The process, Dr. Kimbrell said, has worked well in Kentucky. Anecdotal results and empirical data have been examined to see if the program is having any impact.

Dr. Kimbrell said that when the Scholastic Audit program began in 2006, the ADE developed a process to recruit retired educators, mostly administrators, to perform audits, to develop reports, and to work with schools. A completed audit report goes to the school specialist who works with a specific school to ensure that recommendations and findings are: 1) talked about publicly with the staff, the community and the school board, and 2) get integrated into the ACSIP Plan.

Dr. Kimbrell continued by saying that now there are laws in place that require schools to have Scholastic Audits. These include:
1) The Arkansas Comprehensive Testing, Assessment and Accountability (ACTAAP) Law of 2005, that required the state to develop a process to identify schools that are failing, and a process to help them identify problem areas within a school;
2) The Smart Accountability Program that the state operates under in No Child Left Behind that was approved by the United States Department of Education for this current year; and
3) Representative David Rainey's Act 949 of 2009, which requires any school identified by the ADE as being in Year Four or higher of School Improvement to have an audit done.

Dr. Kimbrell concluded by saying that the ADE is trying to assist struggling schools. To identify where the problems are in those schools, it tries to find people in the state who have the ability, the know-how, and the energy to go in and help schools look at what's going on, find the problem areas, and try to help schools identify recommendations for change.

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Senator Jeffress pointed out that the reason why this issue is on today's agenda is that the Review Subcommittee had raised questions about the multiple Scholastic Audit contracts that had come before them for review. These questions included:

- Have these audits done any good in the schools where they're being performed?
- What's the data that shows the correlation between these audits and whether or not test scores have been raised in the schools? Who would have the data?
- Where does the money to fund the audits come from?
- Why is there miscommunication about scheduling of contracts coming out?

Representative Abernathy wanted to make the Committees aware that he and staff have started a study that has been systematically looking at these issues, asking what triggers an audit, how many districts are in their fourth or fifth year without an audit, and what are the results of these audits. He wants to rank the effectiveness of those who are working on the audits as well as the effectiveness of students.

An extensive discussion of the various issues associated with the Scholastic Audit process ensued, with the representatives of the ADE in attendance responding to various questions on:

- Qualifications, training, and certification of an auditor
- Amount of time the auditors spend at a school
- Auditing as a full-time position in ADE vs. outside contracted work
- Implementation of recommendations
- Candidate applications for the position of auditor. An application was passed out to the Committees.
- Priority for a school on academic distress
- Financial source for contracts
- Lack of a full measure of accountability
- Necessity for evaluating auditing teams for quality and effectiveness
- Post-audit follow-up of results
- "Smart Accountability" plan based on standards in scholastic audit
- Contract amendments, and inconsistencies of contract dates and signatures

Senator Jeffress requested that someone at the ADE prepare a written response to questions that were raised and forward them to the Review Subcommittee.

Pursuant to the motion by Senator Jeffress, the Committees voted to "review" the contracts and re-refer them to the Review Subcommittee of the Arkansas Legislative Council with the recommendation that the Review Subcommittee "review" these contracts. The Committees made this recommendation contingent upon the ADE's responses to several questions prepared by the legal staff assigned to the Education Committees. The ADE was asked to submit the responses to Ms. Kathy Schmidt, the staff of the Review Subcommittee, by Wednesday, November 4, 2009.

Senator Jeffress thanked Dr. Kimbrell and the other members of the ADE staff who testified for their comments.

Senator Jeffress announced that the next joint meeting of the Committees is scheduled for Monday, November 9, 2009, at 11:30 a.m. at the Arkansas School for Mathematics, Sciences, and the Arts (ASMSA), in Hot Springs, Arkansas.

There being no further business, the meeting adjourned at 3:55 p.m.