

BOARD OF REGENTS FOR ELEMENTARY AND SECONDARY EDUCATION
MINUTES OF MEETING
September 14, 2006

A meeting of the Board of Regents for Elementary and Secondary Education was held at the Shepard Building - 255 Westminster Street, Providence, RI 02903 and convened at 4:00 p.m.

In Attendance

J. DiPrete, A. Beretta, C. Callahan, B. Camara, P. Guida, K. Forbes, and M. Paradise.

Public Remarks

There were no Chairman remarks.

Chairman Remarks

There were no public remarks.

Approval of Minutes

MOVED AND SECONDED: That, The Board of Regents for Elementary and Secondary Education Approve the Meeting Minutes of August 10, 2006.

VOTE: Approved Unanimously.

Endorsement of Resolution on Standards from the Rhode Island Association of School Committees

Chairman DiPrete explained that the Rhode Island Association of School Committees has asked that the Board of Regents endorse a resolution for the Association to develop standards of governance for school committees and school committee members. Mr. DiPrete introduced the Executive Director of the School Committee Association, Tim Duffy to address the board. Mr. Duffy told the members of the Board that the intention of the School Committee Association is to review existing standards of governance and make appropriate revisions to those standards to be presented to the Board of Regents at a future meeting.

MOVED AND SECONDED: THAT, the Board of Regents for Elementary and Secondary Education Endorse the Resolution on Standards from the Rhode Island Association of School Committees, as Presented.

VOTE: Approved Unanimously.

Approval of Rules and Regulations for School Health Programs for Public Hearing

RIDE staff member Jackie Ascrizzi introduced the agenda item and explained to Board members that the changes to the rules and regulations for school health programs being proposed are part of the annual review of the regulations to align them with new statutes and make other clarifications. She reminded the board that the approval of the changes is for public hearing only.

MOVED AND SECONDED: THAT, The Board of Regents for Elementary and Secondary Education Approve the Proposed Rules and Regulations for School Health Programs for Public Hearing.

VOTE: Approved Unanimously.

Approval of FY '08 Budget Submittal

Chairman DiPrete told the Board that the Regents should be proud of the many accomplishments over the past 10 years – secondary school reform, state standards, NECAP testing, investments in instruction/literacy, mathematics, science; improved public reporting/InSite, SALT, Information Works. The budget being presented tonight presents a dilemma that the Regents must deal with: How to meet our budget mandate while also meeting our obligation to our most important constituency – the students of Rhode Island. Mr. DiPrete then asked Regent Camara to introduce the budget agenda item. Mr. Camara told the members of the board that for the past three to five years state expenditures are growing at a rate that is exceeding state revenues and once again, the State Budget Office is projecting a deficit, which is over \$240 million for Fiscal Year 2008. This year the Governor asked the Regents to submit two budgets – one that represents a 3% growth overall – and one that represents a 15% cut. Due to a 16% increase in the teacher retirement entitlement, which is over 11 million dollars, those two budgets came out to be virtually the same. Taxpayers can no longer afford to pay higher property taxes to support their local governments and school systems. Mr. Camara emphasized that while we must continue to support public schools, the time has come to change the way business is conducted. The Regents and the Department, along with school administrators, unions, school committees, teachers, students and parents must get more creative and develop strategies that reduce current expenditures and assure that the remaining resources are invested wisely. He explained that over the past year the Regents and department have been working on several system efficiencies including the joint purchasing of school supplies and other commodities, a statewide school lunch contract, a statewide transportation system for special education students, a Uniform Chart of Accounts, and a new system for approving school construction projects. But, now the Regents are faced with transmitting a very difficult budget submission – one that requires the department to cut \$3M. The Regents and the department will continue to work with the Governor and Legislature to reshape a budget proposal that builds the capacity of the department and makes a very targeted and strategic investment in additional state aid to schools.

RIDE Director of Finance, Carolyn Dias then reviewed the FY'08 budget in detail as follows: The total FY 2008 budget, totals \$1.1 billion dollars - \$914,885,715 (state) general revenue; \$178,696,447 federal revenue, and \$4,734,534 in restricted receipts. The Department of Education share - \$914,885,715 is spent on salary & wages \$9,496,008; purchase services \$6,188,200; operating \$973,396; grants \$26,576,181; education aid \$871,588,270; and capital \$63,660. She explained that the department had been asked to develop two budget scenarios – a 15% reduction scenario and a 3% increase scenario. The 15% reduction scenario would require a 15% reduction for the department and state schools and provide increases for selected programs such as teacher retirement and education aid. It also provided an overall \$26.5M increase over the FY 2007 working Budget and would provide a target of \$914.5 million. The 3% increase provides a 3% increase over the bottom line FY 2007 budget and provides an overall \$26.6M increase over the FY 20007 working budget. The total target would be \$914.6M.

Ms. Dias provided a summary of the budget as per the state Budget Office “adds” instructions as follows: education aid \$13,005,951; charter schools \$3,375,975; Central Falls \$1,334,393; Met School \$1,080,778; housing aid \$2,379,955; Teacher Retirement \$11,121,729; and statewide COLA and benefit adjustments \$2,269,636; for a total of \$34,568,417. The decreases, as per the Budget Office instructions included non-recurring Career & Technical Education Study Costs \$200,000; and 15% target adjustment reduction \$7,881,731 for total decrease of \$8,081,731. Ms. Dias also reviewed the Budget Highlights: the department was level funded or increased \$150,000 under the 3% scenario; Davies budget increased \$1.3 million; RI School for the Deaf increase \$1.3 million; MET School increase \$1.1 million; Central Falls increase \$4.2 million; school construction aid increase \$2.4 million; charter aid increase by \$3.4 million; education aid increase by \$1.9million and teacher retirement increase by \$11.1 million.

Next, Ms. Dias reviewed in detail the impact of the proposed budget on the department, Davies Career and Tech School; RI School for the Deaf; the MET School, and the Central Falls School district.

RIDE staff member, Celeste Bilotti spoke to the group about the FY 2008 education aid request. The total request is a 3% increase (\$19.4M) over FY 2007 distributed as follows:

- \$940,000 to fully fund group home, full day kindergarten and vocational equity aid;
- \$4.8M as an incentive increase to general aid which is tied to system wide efficiencies;
- \$5.0 M to create a middle/high school reform fund;
- \$5.0 M increase to targeted aid for PSI support in Pawtucket, Providence and Woonsocket.
- \$3.7M increase to the student equity fund.

Additionally, each district receives \$100,000 or 1% of general aid (minus literacy) if they meet the following three criteria: 1) Increase local contribution to schools (for the three PSI districts only – Pawtucket, Providence, Woonsocket); 2) Sign a memorandum of agreement to adopt state health care package or re-negotiate current plans to an equivalent or lower cost than the state plan; 3) Use state Master Price Agreements (MPAs) to purchase commodities or document that costs are equivalent or less than state MPA costs. Also, additional statutory education aid proposals – increase the targeted aid set-aside from 5% to 10% and program the entire 10% in support of PSI activities; create a new 5% set-aside for the language assistance fund to begin the transition to state approved programs; and eliminate the requirement that districts provide out-of-district non-public school transportation.

MOVED AND SECONDED: THAT, the Board of Regents for Elementary and Secondary Approve the Transmittal to the Governor of the FY 2008 Budget Without Adopting this Budget Proposal as Adequate; and

THAT, the Board of Regents Approve and Adopt the FY 2007 Revised Budget for Transmittal to the Governor.

VOTE: Approved Unanimously.

Update on Statewide Curriculum

The Commissioner reported that the work on the statewide curriculum is ongoing. The timeline has been developed and the Governor will be hosting an event to announce the “on-line” piece in the near future. The Board of Regents CASP committee will be meeting on Wednesday, September 27 from 12:00 to 2:30 to discuss the statewide curriculum.

Hope High School Report

The “Special Master” at Hope High School, Nick Donohue reported to the Board that it has been twenty months since the state has taken control of Hope High School. It has been a very good and productive first year and a good summer. The school is making great strides and the teachers have been involved in a lot of professional development activities over the past months. School administration and staff have focused a lot of their time and activities on parent involvement – a PTO has been formed and parents are serving on school support teams. They have also done a lot of work to ensure the personalization for their students and the development of individual learning plans. The school

it self has been broken down into three learning communities focusing on the Arts, Leadership, and IT (technology). They are forming real partnership with Rhode Island College, Brown, Roger Williams, etc. Suspensions are down; attendance is still too low, but staff is working on improving it; 95% of last year's graduates have plans to continue their education; teacher turnover rate is "miniscule" – "People want to be at Hope". However the infrastructure continues to be a problem that must be addressed.

Executive Session

As per R.I.G.L. 42-46-5-(2), the meeting adjourned at 5:25 p.m. for Executive Session.

The meeting reconvened to open session at 5:55 p.m.

MOVED AND SECONDED: THAT, the minutes of the Executive Session be sealed.

VOTE: Approved Unanimously.

Chairman DiPrete reported that the Board of Regents would begin the process of evaluating Commissioner McWalters and the renewal of his contract. The BOR Finance and Personnel Committee, chaired by Regents Bob Camara will lead this effort, but all Regents are invited to attend every meeting. The process will include the Commissioner forwarding over to the board his goals and objectives for 2007-2008 and a report on his accomplishments. The committee will invite the leadership of the School Committee Association, the Superintendents' Association, and Principals' Association along with the presidents of AFT and NEA; and representatives from the department management team and union leadership. We will also speak with the leadership from the House and Senate and the Governor.

Adjournment

With unanimous consent, the meeting adjourned at 6:05 p.m.