MINUTES - MEETING OF THE
STATE BOARD OF CAREER EDUCATION
9:30 a.m.

February 2, 2012

The State Board of Career Education (SBCE) was called to order by Chairman Phil Taylor. The meeting was held at Arkansas Rehabilitation Services, 525 W. Capitol Avenue, Little Rock, Arkansas.

A record of member attendance is as follows:

PRESENT

Mr. Phil Taylor, Chairman
Mr. John Riggs, Vice Chairman
Dr. Thomas Flowers
Mrs. Martha Dixon
Mr. John Yates

Ex-Officio Nonvoting Members
Mr. William L. "Bill" Walker, Jr., Ex-Officio Secretary

ABSENT

Mrs. Lucy Ralston
Mr. Richard Smith

Ex-Officio Nonvoting Members

Dr. Tom Kimbrell
Mr. Shane Broadway

Ms. Sandra Porter introduced Mr. Danny Simpson, the new internal auditor for career and technical education.

A. ACTION ITEM – APPROVAL OF MINUTES OF DECEMBER 8,2011

On a motion by Mr. Riggs and second by Mr. Yates, the State Board of Career Education unanimously approved the minutes of December 8, 2011.

B. ACTION ITEM – AUTHORIZATION OF EXPENSE REIMBURSEMENT AND STIPEND FOR BOARD MEMBERS PERFORMING OFFICIAL BOARD DUTIES

Mr. Taylor recommended that the State Board of Career Education approve by a majority vote the authorization of payment to its members a stipend not to exceed eighty-five dollars per meeting attended.

Mr. Taylor also recommended that the State Board of Career Education approve by a majority vote the authorization of expense reimbursement for each board member for performing official board duties. This vote indicates that board members will comply with an expense reimbursement that will not exceed the rate established for state employees by state travel regulations.

On a motion by Mr. Riggs and second by Mr. Yates, the State Board of Career Education unanimously approved the authorization of payment of a stipend and expense reimbursement for each board member performing official board duties.

Director Walker updated board members on the status of the "60-40" rule for secondary career center funding. He stated that the agency's position is the same as when the 60-40 rule was first brought to the board. He added that an amendment had been proposed that would prohibit the implementation of the rule. However, the rule is already in effect. It was approved by this board

and has gone through the rules process.

Director Walker stated that the agency proposes to suspend the rules and to add an item to address some issues through a waiver provision that would allow the agency, on a case-by-case basis, to grant a waiver of the 60-40 rule in cases involving consolidation and the establishment of satellite locations.

Mr. Riggs asked if the waiver provision would have to go through the rule process. Director Walker stated it would have to go through the rule process and that the agency would like to start that process immediately.

Ms. Sandra Porter, associate director for workforce training, told board members that since coming to the board in August, the agency has followed through on its commitment to legislators, center directors, and the governor's office to meet with center directors and superintendents whose centers would be impacted by the 60-40 rule. The meeting was held on Dec. 5, 2011, and the waiver provision was the result of that meeting.

Ms. Porter provided the board members with copies of the funding rule that was approved in the policy and procedures manual.

Ms. Porter stated that some legislators are not happy with the 60-40 rule, while others are satisfied.

Director Walker stated that the board is being asked to suspend the rules and add the new waiver provision so that the rule process can be initiated. He added that the agency could then either apply the waiver provision on a case-by-case basis or delay the 60-40 rule for all centers. Director Walker stated that he and his staff believe the 60-40 rule is fair and reasonable.

On a motion by Mr. Riggs to suspend the rules in order to add the waiver provision to the 60-40 rule and second by Mrs. Dixon, the State Board of Career Education unanimously approved to suspend the rules.

Mr. Yates asked Director Walker under what circumstances the waiver would be allowed. Mr. Yates said that he understood Director Walker to say a waiver would be allowed in situations involving consolidation and satellites but that he did not see any written criteria stating when the waiver would be used.

Director Walker stated that the waiver is intended to provide legitimate relief to a district when a center's population is pushed over the 60-percent threshold as a result of school consolidation.

Mr. Taylor asked for a motion for discussion on the criteria of the waiver process. Mr. Riggs moved to hold a discussion on establishing the criteria for the waiver process. Mrs. Dixon seconded the motion.

Dr. Flowers stated that when the 60-40 rule was brought to the board's attention earlier, it was viewed as an attempt to be fairer. He further said that he was pleased to support the rule and that he could see the need for flexibility to consider special circumstances when warranted. He added, however, that he would not be in favor of going back and granting everyone a waiver. The 60-40 rule is a step in the right direction, he said, and may need only a bit of tweaking.

Mr. Yates proposed to insert the following sentence at the end of the waiver process rule: "Waivers, which have been reviewed and approved by ACE, will be presented to the Arkansas Department of Career Education Board at the next scheduled meeting. Waivers shall not be effective until board approval and will be implemented the following funding year.

The waiver shall not be effective until the board has approved the waiver." Mr. Yates also proposed to insert into the waiver process rule the criteria for a waiver as established by the agency.

Mr. Riggs stated that the 60-40 rule is fair and equitable and is the right thing to do. Mr. Riggs said he was displeased that the rule had been impacted by the political season. Although he said he would vote for the waiver and understood why the waiver was proposed, he said that he did not support backing down on the 60-40 rule.

On a motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously voted to adopt the waiver process with the amended language provided by Mr. Yates.

C. ACTION ITEM – APPROVAL TO MOVE ADULT EDUCATION FUNDING FORMULA FOR STATE FUNDS TO 80% PERFORMANCE, 20% CONTACT HOURS WITH NO CAP ON INCREASE OR DECREASE

Mr. Jim Smith, deputy director for adult education, recommended that the State Board of Career Education approve the adult education funding formula for state funds to be based on 80 percent performance and 20 percent contact hours with no cap on increase or decrease.

Mr. Smith stated that the current adult education funding formula for state funds is based on 70 percent performance and 30 percent contact hours with a 10-percent cap on loss or gain.

On a motion by Dr. Flowers and second by Mrs. Dixon, the State Board of Career Education unanimously approved the adult education funding formula for state funds to 80% performance and 20% contact hours with no cap on increase or decrease.

D. ACTION ITEM – IMPLEMENTATION OF THE STANDARDS FOR A QUALITY ADULT EDUCATION PROGRAM

Mr. Jim Smith, deputy director for adult education, recommended that the State Board of Career Education approve the implementation of the Standards for a Quality Adult Education Program.

Mr. Smith stated the purpose of implementing the Standards for a Quality Adult Education Program is to encourage and promote the development of more effective and efficient administrative units. In addition, the standards are also designed to foster greater standardization in the administration and delivery of adult education services. The implementation of the Standards for a Quality Adult Education Program will provide a more accurate and consistent measurement of accountability through quality indicators.

On a motion by Mrs. Dixon and second by Dr. Flowers, the State Board of Career Education unanimously approved the implementation of the Standards for Quality Adult Education Program.

DIRECTOR'S REPORT

Director Walker informed the board members that Charlie Brown and Linda Moore retired from the agency.

Director Walker informed the board members that Rod Duckworth is leaving the agency in March for a job in Florida.

Mr. Robert Trevino, commissioner of Arkansas Rehabilitation Services (ARS), updated the board on the Arkansas Career Training Institute's transition from the current hospital model to a clinic model and also updated the board on the ruling in a recent lawsuit against ARS.

Ms. Sonja McMurray provided the board members an update on Arkansas Works.

Mr. Robert Araiza provided the board members with budget information for both the Department of Career Education and Arkansas Rehabilitation Services.

Director Walker provided information to the board members on the construction status of the ARS building at 525 W. Capitol Ave.

Mr. Walker announced the following date:

Next board meeting— April 5, 2012

ADJOURNMENT

Mr. Taylor adjourned the meeting at 12:14 p.m.

William L. "Bill" Walker, Jr., Ex-Officio Secretary
State Board of Career Education

Phil Taylor, Chairman
State Board of Career Education