

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

June 6, 2013

The State Board of Career Education (SBCE) was called to order by Chairman Phil Taylor. The meeting was held at Camp Couchdale, 301 Catherine Park Road, Hot Springs, Arkansas.

A record of member attendance is as follows:

PRESENT

Mr. Phil Taylor, Chairman
Dr. Ann Bain
Ms. Martha Dixon
Ms. Margarita Solórzano

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

ABSENT

Mr. Richard Smith
Mr. John Riggs, Vice Chairman
Mr. John Yates

Ex-Officio Nonvoting Members

Dr. Tom Kimbrell
Mr. Shane Broadway

Mr. Marion Fletcher, agricultural science and technology program manager, welcomed board members and guests to Camp Couchdale.

Lindsey Anderson, FFA national western region vice president, and Joshua Bledsoe, chief operating officer for the national FFA organization, addressed board members and guests regarding the importance of FFA.

H. INFORMATIONAL ITEM – FUNDING FORMULA

Director Walker informed board members that the adult education funding formula is scheduled for implementation July 1, 2013. The new formula calculates funding based on 80 percent performance and 20 percent student contact hours with no cap on funding increases or decreases. The new formula was approved by the board on February 2, 2012, and then reaffirmed with a ceiling of \$950,000 on April 5, 2012. Implementation of the new formula was postponed for one year to provide programs ample time to prepare for changes in funding. The current formula, which will no longer be in effect after June 30, 2013, awards funds based on 70 percent performance and 30 percent student contact hours, with a 10-percent cap on funding increases or decreases and no ceiling.

I. INFORMATIONAL ITEM – COST OF GED®

Director Walker informed board members that the Adult Education Division received an appropriation for \$1.87 million annually for GED® testing, but the appropriation was not funded.

Director Walker informed the board members that the cost of the GED® test will increase beginning January 1, 2014, and as a result, students may have to pay to take the test.

Director Walker stated that there are only two to three options to cover the \$120 cost of the test. One option, if no additional resources are obtained, is to require test-takers to bear the full cost of the test. A second option is for the agency to pay the full cost of the test out of the \$18 million in adult education state funds; however, this option would reduce by

approximately \$1 million the amount of funding distributed to adult education local programs. The final option would be to fund a portion of the cost through other resources, thus protecting the current amount of funding going to programs while at the same time assisting test-takers with the \$120 cost of the test.

A. ACTION ITEM – APPROVAL OF MINUTES OF APRIL 4, 2013

On a motion by Mrs. Dixon and second by Dr. Bain, the State Board of Career Education unanimously approved the minutes of April 4, 2013.

B. ACTION ITEM – ADOPTION OF THE 2013-2014 AGENCY BUDGET

Mrs. Lorna Claudio, deputy director of finance, recommended that the State Board of Career Education approve the 2013-2014 budget as presented.

Mrs. Claudio provided the board members with the following major budget components:

Public School Fund – Adult basic and general adult education, workforce coordinators/counselors, new program start-up, adult literacy, and vocational center aid (state funds)

Agency Operations (state funds)

Federally Funded Programs – federal vocational, Veterans Approving Agency and adult education

Cash-Supported Operations – Verizon Award, Law Enforcement Support Office (LESO), and alternate retirement programs

Trust Funds – Construction Trades Training

On motion by Mrs. Dixon and second by Dr. Bain, the State Board of Career Education unanimously approved the adoption of the 2013-2014 agency budget.

ACTION ITEM – ADOPTION OF THE 2014 OPERATIONAL BUDGET

Mr. Joseph Baxter, Arkansas Rehabilitation Services chief financial officer, recommended that the State Board of Career Education approve the 2014 operational budget as presented.

Mr. Baxter provided the board members with the following major budget components:

Operational Budget – Highlights

Mr. Baxter stated that the operational budget is based on estimates of several revenue sources, including vocational rehabilitation, supported employment, independent living, technology access programs, social security reimbursements, stimulus funding, special revenue, general revenue, and various cash funds. The following schedule summarizes these funds:

<u>Source</u>	<u>Funding</u>
Federal	\$46,926,349.00
Special	1,386,972.00
General Revenue	13,212,007.00
Other	<u>1,590,000.00</u>
Total	\$63,115,328.00

Federal VR 110 Reserve \$ 5,000,000.00

Total Funding \$68,115,328.00

Mr. Baxter also provided information for special projects that are expected to be funded as part of the SFY2014 budget expenditures:

Arkansas Career Training Institute (ACTI) Building Façade Repairs - \$580,000
ACTI Water System Repairs/Armory Renovations - \$5,000,000

On motion by Mrs. Dixon and second by Mrs. Solórzano, the State Board of Career Education unanimously approved the Arkansas Rehabilitation Services request for the 2014 operational budget.

C. ACTION ITEM – RESCIND BOARD APPROVAL OF A SATELLITE LOCATED ON THE MURFREESBORO CAMPUS OF COSSATOT COMMUNITY COLLEGE IN HEALTH SCIENCE TECHNOLOGY

Ms. Sandra Porter, associate director of career and technical education, reminded the board members that the request to locate a satellite health science technology program on the Murfreesboro campus of Cossatot Community College had been approved by the board on February 7, 2013, with the contingency that approval would be rescinded if funding was not received in the legislative session.

Ms. Porter informed the board members that funding was not received, and as a result, the agency recommends that the approval of the satellite be rescinded.

On motion by Mrs. Dixon and second by Dr. Bain, the State Board of Career Education unanimously approved the request to rescind the board approval of a satellite located on the Murfreesboro campus of Cossatot Community College in Health Science Technology.

D. ACTION ITEM – RESCIND BOARD APPROVAL OF A SATELLITE LOCATED AT CLARKSVILLE OF ATU-OZARK IN HEALTH SCIENCE TECHNOLOGY

Ms. Sandra Porter, associate director of career and technical education, reminded the board members that the request to locate a satellite health science technology program on the Clarksville campus of Arkansas Tech University-Ozark had been approved by the board on February 7, 2013, with the contingency that approval would be rescinded if funding was not received in the legislative session.

Ms. Porter informed the board members that funding was not received, and as a result, the agency recommends that the approval of the satellite be rescinded.

On motion by Mrs. Dixon and second by Dr. Bain, the State Board of Career Education unanimously approved the request to rescind the board approval of a satellite located at Clarksville for ATU-Ozark in Health Science Technology.

E. ACTION ITEM – APPOINTMENT OF A NEW MEMBER TO THE STATE PLUMBING APPRENTICESHIP COMMITTEE (SPAC)

Mr. Ray Henson, associate director of workforce training, recommended that the State Board of Career Education appoint Ms. Karen Breashears to the State Plumbing Apprenticeship Committee (SPAC).

On motion by Dr. Bain and second by Mrs. Solórzano, the State Board of Career Education unanimously approved the appointment of Ms. Karen Breashears to the State Plumbing Apprenticeship Committee (SPAC).

F. INFORMATIONAL ITEM – REQUEST TO SUBMIT REVISED SPECIAL POLICIES AND PROCEDURES FOR SECONDARY TECHNICAL CENTERS

Ms. Sandra Porter, associate director of career and technical education, informed the board members that revisions have been made to Special Policies and Procedures for Secondary Technical Centers to reflect the State Board of Career Education's previously approved motion to remove the funding language from policies and procedures.

Ms. Porter stated it is the recommendation of the agency that the board approve the revised Special Policies and Procedures for Secondary Technical Centers in order to begin the administrative rules process required of state agencies.

On motion by Dr. Bain and second by Mrs. Dixon, the State Board of Career Education unanimously approved the request to begin the Legislative Rules and Regulations process on the revised Special Policies and Procedures for Secondary Technical Centers.

G. INFORMATIONAL ITEM – REQUEST TO SUBMIT REVISED POLICIES AND PROCEDURES FOR CAREER AND TECHNICAL EDUCATION

Ms. Sandra Porter, associate director of career and technical education, informed the board members that revisions have been made to the Career and Technical Education Policies and Procedures to reflect changes in endorsement/permit areas; requirements for foundation courses; language to reflect practices of the Career and Technical Education Division, and other changes in wording.

Ms. Porter stated it is the recommendation of the agency that the board approve the revised Policies and Procedures for Career and Technical Education in order to begin the administrative rules process required of state agencies.

On motion by Dr. Bain and second by Mrs. Dixon, the State Board of Career Education unanimously approved the request to begin the Legislative Rules and Regulations process on the revised Policies and Procedures for Career and Technical Education.

J. INFORMATIONAL ITEM – SALE OF THE ARKANSAS SERVICES CENTER IN JONESBORO

Director Walker informed the board members that Arkansas Rehabilitation Services (ARS) holds an undivided 31.82 percent ownership in the 39.68-acre site of the Arkansas Services Center. ARS, the Arkansas Department of Human Services (DHS), the DHS Division of Behavioral Services, and Arkansas State University were participatory agencies in bond indebtedness for the property, and those bonds have now been retired.

Director Walker stated that all participating agencies, including ARS, have agreed that it is in the best interests of all parties to sell the property. The City of Jonesboro's City Water and Light Plant offered approximately \$900,000 for the entire site, including the building. The sellers (ARS, DHS, & ASU) presented a counteroffer of \$1.1 million, and the City Water & Light Plant accepted.

Director Walker stated it is the recommendation of the agency that the board approve the sale of the building and property to City Water & Light Plant.

On motion by Mrs. Dixon and second by Mrs. Solórzano, the State Board of Career Education unanimously approved the sale of the building and property located in Jonesboro to the City of Jonesboro's City Water and Light Plant.

DIRECTOR'S REPORT

Director Walker shared with the board members that the SMT Retreat was a success and one of the best ones so far.

Director Walker informed the board members that the agency has finally acquired the Jonathan M. Cheatham Army Reserve Center in Hot Springs. The building will be used to expand ACTI programs.

Jonathan Bibb, ACTI administrator, informed the board members that all but two of the programs at ACTI have accreditation at this time. The last two programs should be accredited in one to two months.

Mr. Walker announced the following dates:

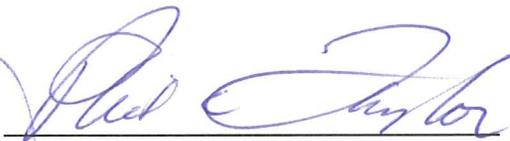
Next SBCE Meeting – August 1, 2013

ADJOURNMENT

Mr. Taylor adjourned the meeting at 12:00 p.m.



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



Phil Taylor, Chairman
State Board of Career Education