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

October 4, 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
Mr. John Yates
Mrs. Martha Dixon
Ms. Margarita Solórzano

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

ABSENT

Mr. Richard Smith

Ex-Officio Nonvoting Members

Dr. Tom Kimbrell
Mr. Shane Broadway

Director Walker introduced the newest board member, Mrs. Margarita Solórzano, and Mrs. Susan Harriman from the Department of Education.

Mr. Carl Daugherty, Arkansas Rehabilitation Services (ARS) Division chief of field services, introduced Mrs. Christie Bartlett, manager of the Jonesboro and Batesville field office; Mrs. Carol Etheridge, manager of the Fayetteville and Harrison field offices; and Mr. Sterling Hughes, manager of the Pine Bluff and Monticello field offices.

Dr. Robert Gunter, deputy director for career and technical education, introduced Mr. Ray Henson as the new associate director of workforce training.

A. ACTION ITEM – APPROVAL OF MINUTES OF AUGUST 2, 2012

On a motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously approved the minutes of August 2, 2012.

B. ACTION ITEM – ADOPTION OF THE 2012-2013 AGENCY BUDGET – DEPARTMENT OF CAREER EDUCATION

Mrs. Lorna Claudio, deputy director of finance, recommended that the State Board of Career Education approve the 2012-2013 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

Mrs. Claudio stated that the budget components funded with state appropriation were developed in a matter consistent with the requirements of the Revenue Stabilization Act and are based on official forecasts.

Mrs. Claudio reminded the board members that budgets are subject to change because of changes in actual revenues, receipts of miscellaneous grants, and authorized reallocation of funds among appropriations and line items. The approved budget will constitute authority to spend in a manner consistent with applicable state and federal laws and regulations. The director of the Department of Career Education is authorized to make appropriate corrections and adjustments in accordance with policies and procedures established by the State Board of Career Education.

On motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously approved the adoption of the 2012-2013 agency budget.

C. ACTION ITEM – APPROVAL OF BIENNIAL BUDGET REQUEST FOR 2013-2015 – DEPARTMENT OF CAREER EDUCATION

Mrs. Lorna Claudio, deputy director for finance, recommended that the State Board of Career Education approve the budget request for the 2013-2015 biennium.

Mrs. Claudio stated that ACE is requesting substantial increases in appropriation and funding for the 2013-2015 biennium in an effort to provide equitable and adequate educational opportunities to Arkansans.

On motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously approved the biennial budget request for 2013-2015.

D. ACTION ITEM – ADOPTION OF THE 2013 OPERATIONAL BUDGET – ARKANSAS REHABILITATION SERVICES

Mr. Joseph Baxter, ARS chief financial officer, recommended that the State Board of Career Education approve the 2013 operational budgets 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:

Source	Funding
Federal	$47,853,830.00
Special	810,756.00

General Revenue	12,953,772.00
Other	1,634,000.00
Total	$63,252,358.00
Federal VR 110 Reserve	$ 8,100,000.00
Total Funding	$71,352,358.00

Mr. Baxter also provided information for special projects that are expected to be funded as part of the SFY2013 budget expenditures:

Arkansas Career Training Institute (ACTI) Water/Hydrant Repair - $500,000
ACTI Armory Renovations - $200,000

On motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously approved the Arkansas Rehabilitation Services request for the 2013 operational budget.

E. ACTION ITEM – APPROVAL OF THE 2013-2015 BIENNIAL BUDGET REQUEST – ARKANSAS REHABILITATION SERVICES

Mr. Joseph Baxter, ARS chief financial officer, recommended that the State Board of Career Education approve the budget request for the 2013-2015 biennium.

Mr. Baxter stated that ARS is requesting increases in appropriation and funding for the 2013-2015 biennium in keeping with ongoing efforts to improve the facilities at ACTI and to modify the soon-to-be acquired armory in Hot Springs to expand the client services in that area.

On motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously approved the biennial budget request for 2013-2015.

F. ACTION ITEM – APPROVAL OF MEETING DATES FOR 2013

Mr. Taylor recommended that the State Board of Career Education set the following meeting dates for 2013 per A.C.A. 25-6-302:

Thursday, February 7, 2013
Thursday, April 4, 2013
Thursday, June 6, 2013
Thursday, August 1, 2013
Thursday, October 3, 2013
Thursday, December 5, 2013

On a motion by Mr. Riggs and second by Mrs. Dixon, the State Board of Career Education unanimously voted to set the following meeting dates for 2013:

Thursday, February 7, 2013
Thursday, April 4, 2013
Thursday, June 6, 2013
Thursday, August 1, 2013
Thursday, October 3, 2013
Thursday, December 5, 2013

DIRECTOR'S REPORT

Director Walker asked that Mr. Baxter brief the board on the 10 legislative audit findings for Arkansas Rehabilitation Services. Mr. Baxter provided detailed information to board members concerning the 10 findings and the agency's response to each finding.

Director Walker asked Michael Vickers and Adrienne Robinson to provide board members information on the latest ACE Expo in Fort Smith. Mrs. Robinson stated that 1,150 participants attended the ACE Expo.

Director Walker informed board members that employees from 26 Corporate Hill will move at the end of October into 601 W. Capitol and 525 W. Capitol.

Director Walker provided the board members the current newsletter.

Director Walker informed the board members of the transition of Mr. Robert Treviño from commissioner to a position in Program Planning, Development, and Evaluation.

Mr. Walker announced the following dates:

Joint Board Meeting – November 2, 2012
Next SBCE Meeting – December 6, 2012

ADJOURNMENT

Mr. Taylor adjourned the meeting at 11:25 a.m.

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

Phil Taylor, Chairman
State Board of Career Education