



**MINUTES
STATE BOARD OF EDUCATION
MAY 27, 2016**

The State Board of Education met for a special called meeting at the Tennessee Higher Education Commission Conference Room, Nashville, Tennessee, at 9:00 a.m. on May 27, 2016.

Present.....9

Absent..... 1

Mr. Fielding Rolston, Chairman
Ms. Allison Chancey
Mr. Mike Edwards
Ms. Lillian Hartgrove
Mr. Cato Johnson
Ms. Carolyn Pearre
Dr. William Troutt (via Telephone)
Ms. Wendy Tucker
Dr. Russ Deaton

Mr. Lonnie Roberts

Chairman Rolston called the meeting to order and welcomed members of the audience. He stated that **Dr. William Troutt** was joining the meeting by telephone. He recognized **Dr. Kathleen Airhart**, Deputy Commissioner of the Department of Education, and said that **Dr. Airhart** was representing Commissioner McQueen.

Chairman Rolston reported that a meeting had been held of the Educator Prep subcommittee the previous week and that the Teacher Discipline subcommittee would be meeting after this meeting adjourns.

I. Consent Items

A. Adoption of Agenda

ACTION: **Mr. Johnson** moved acceptance. **Ms. Hartgrove** seconded. The motion passed unanimously.

II. Action Items (Final Reading)

A. State Minimum Salary Schedule for Fiscal Year 2016-17

Dr. Paul Fleming, Department of Education, presented this item. He reported that the FY 17 Budget includes approximately \$105 million in improvements for teacher salaries. This improvement represents an increase in the Basic Education Program (BEP) instructional salary component and results in a significant amount of additional

resources for school districts. Because the BEP is a funding plan and not a spending plan, each district will utilize its salary component funding increase to meet its unique compensation needs. Districts are not forced to provide across-the-board pay increases based solely on seniority or educational attainment but rather have the ability and flexibility to determine areas of need and adjust compensation structures accordingly.

Pursuant to T.C.A. § 49-3-306, the Commissioner of Education is required to annually present, and submit to the State Board of Education for approval, a state salary schedule for licensed personnel. The salary schedule must include a base salary for licensed personnel with a bachelor's degree and zero years of experience. Licensed personnel with more training and experience must receive higher salaries than the established base salary.

The current state minimum salary schedule includes a base salary of \$31,500 with additional funding amounts required for advanced degrees and at years 1 (bachelor's degree), 6 and 11. The proposed schedule for the 2015-16 school year increases the base salary to \$32,445.

ACTION: **Mr. Johnson** moved to approve the resolution. **Ms. Chancey** seconded. The motion passed unanimously.

B. *Annual Performance Goals and Objectives for Achievement and Achievement Gap Closure – 2015-16 District Accountability Policy*

Dr. Nakia Towns, Department of Education, presented this item. Per T.C.A. §49-1-602(a)(1), "The state board of education, in consultation with the commissioner, shall establish appropriate performance goals and measures." During the transition year to TNReady, the State Board of Education approved these goals for district performance in line with the new accountability framework, as part of the ESEA waiver granted by the U.S. Department of Education in July of 2015. The new accountability framework proposed to set performance goals using TVAAS scores and changes in districts' relative percentile rankings based on TCAP/TNReady testing data for grades 3 through 12. However, as a result of the suspension of grade 3-8 assessments, there will be no proficiency level or TVAAS data available for grades 3-8. It would not be prudent to issue formal accountability determinations that rely on incomplete and partial data. All available data in end of course (EOC) subjects from the 2015-16 school year will be transparently reported on the state report card.

Based on these extenuating circumstances the department is recommending removal of the Annual Performance Goals and Objectives for Achievement and Achievement Gap Closure adopted by the board on August 3, 2015, and is recommending approval of the attached 2015-16 District Accountability Policy.

ACTION: **Ms. Chancey** moved to approve the resolution. **Ms. Hartgrove** seconded. The motion passed unanimously.

C. *Individualized Education Accounts, Rule 0520-01-11*

Ms. Elizabeth Taylor, State Board of Education, presented this item. She stated that on May 18, 2015, Governor Haslam signed into law the Individualized Education Act (Public Chapter 431) which creates individualized education accounts (IEAs) for eligible students with disabilities to use for educational purposes. The program provides options for parents of certain students with disabilities to choose the educational opportunities that best meet the individual needs of their child by giving them direct access to state and local public education funds. The program will go into effect in the 2016-17 school year. The student application window will open by August 2, 2016, and students will be able to enroll in the program beginning January 1, 2017.

After final approval of the rules, the Attorney General’s office provided several suggested revisions. The rules being presented on final read have been revised based on this feedback. Key revisions made include:

- Adds “account holder” definition to clarify account holders can be parents or students that have attained the age of majority.
- Revises the appeals procedure to align with established procedures.
- Revises payment frequency pursuant to Chapter 620 of the Public Acts of 2016.
- Adds ABLE account to the list of approved IEA expenses per Chapter 793 of the Public Acts of 2016.

ACTION: **Mr. Johnson** moved approval. **Vice Chair Pearre** seconded. A roll call vote was taken as follows:

	Yes	No	Absent
Allison Chancey	X		
Mike Edwards	X		
Lillian Hartgrove	X		
Cato Johnson	X		
Carolyn Pearre	X		
Lonnie Roberts			X
William Troutt	X		
Wendy Tucker	X		
Fielding Rolston	X		

The motion passed unanimously.

III. Charter School Appeal Items

A. *New Consortium of Law and Business*

Dr. Sara Heyburn, Executive Director of the State Board of Education, presented this item. She stated that Tennessee Code Annotated § 49-13-122 allows a charter school to appeal a chartering authority’s decision to revoke a charter agreement to the State Board. On March 29, 2016, Shelby County Schools revoked the charter agreement of New Consortium of Law and Business.

As reasons for revocation of the charter agreement, Shelby County Schools stated the charter school did the following:

- Enrolled staff in a non-Shelby County Schools’ insurance plan prior to the passage of the law allowing charter school participation in a non-LEA insurance plan;
- In School Year 2014-2015, fell delinquent on Tennessee Consolidated Retirement System contributions;
- In School Year 2014-2015, failed to pay its teachers in a timely fashion;
- In School Years 2013-2014 and 2014-2015, failed to file an annual audit;
- In School Year 2014-2015, improperly assigned students to a teacher for TVAAS purposes;
- In School Year 2014-2015, did not follow Tennessee Department of Education guidance in the process of teachers claiming students for TVAAS purposes;
- In School Year 2014-2015, included teachers in the master schedule who were not teaching classes or working at the school;
- In School Year 2015-2016, did not enter attendance data for students for at least the first 48 days of the school year; and
- In School Year 2014-2015, enrolled at least two students who were also enrolled in schools outside of Shelby County Schools, provided grades and credits for the students, and received Average Daily Membership credit for the students.

On April 8, 2016, the sponsors of New Consortium of Law and Business appealed the revocation by email to the State Board of Education. A hearing was held on Friday, May 6, 2016, at the Shelby County Schools Board of Education, and the State Board staff conducted a de novo, on the record review of the revocation decision.

Dr. Heyburn stated that in this case, it is clear the NCLB had not fulfilled its end of the autonomy-for-accountability bargain. The record shows that NCLB committed material violation of the conditions, standards, or procedures set forth in state law, the charter agreement, and memorandum of understanding and had failed to meet generally accepted standards of fiscal management and said that based on the foregoing, it is her recommendation that the State Board uphold SCS’s revocation of NCLB’s charter.

ACTION: **Mr. Edwards** moved approval. **Vice Chair Pearre** seconded. A roll call vote was taken as follows:

	Yes	No	Absent
Allison Chancey	X		
Mike Edwards	X		
Lillian Hartgrove	X		
Cato Johnson	X		
Carolyn Pearre	X		

	Yes	No	Absent
Lonnie Roberts			X
William Troutt	X		
Wendy Tucker	X		
Fielding Rolston	X		

The motion passed unanimously.

B. *Omni Prep Academy Lower School*

Dr. Heyburn presented this item. As reasons for revocation of the charter agreement, Shelby County Schools stated the charter school did the following:

- Material violation of any of the conditions, standards, or procedures set forth in the charter agreement pursuant to T.C.A. § 49-13-122(c)(1).

Dr. Heyburn stated that in this case it is clear that OPA Lower continually failed to meet the most minimal of performance standards as illustrated by its status on the 2014 and 2015 Priority Lists, and thus is in violation of its charter agreement with SCS. Accordingly, it is her recommendation that the State Board uphold SCS’s revocation of OPA Lower’s charter.

ACTION: **Mr. Edwards** moved approval. **Vice Chair Pearre** seconded. A roll call vote was taken as follows:

	Yes	No	Absent
Allison Chancey	X		
Mike Edwards	X		
Lillian Hartgrove	X		
Cato Johnson	X		
Carolyn Pearre	X		
Lonnie Roberts			X
William Troutt	X		
Wendy Tucker	X		
Fielding Rolston	X		

The motion passed unanimously.

C. *Omni Prep Academy Middle School*

Dr. Heyburn presented this item. As reasons for revocation of the charter agreement, Shelby County Schools stated the charter school did the following:

- Material violation of any of the conditions, standards, or procedures set forth in the charter agreement pursuant to T.C.A. § 49-13-122(c)(1).

Dr. Heyburn stated that in this case it is clear that OPA Middle continually failed to meet the most minimal of performance standards as illustrated by its status on the 2014 and 2015 Priority Lists, and thus is in violation of its charter agreement with SCS. Accordingly, it is her recommendation that the State Board uphold SCS’s revocation of OPA Middle’s charter.

ACTION: **Mr. Edwards** moved approval. **Vice Chair Pearre** seconded. A roll call vote was taken as follows:

	Yes	No	Absent
Allison Chancey	X		
Mike Edwards	X		
Lillian Hartgrove	X		
Cato Johnson	X		
Carolyn Pearre	X		
Lonnie Roberts			X
William Troutt	X		
Wendy Tucker	X		
Fielding Rolston	X		

The motion passed unanimously.

D. Southern Avenue Middle School

Dr. Sara Heyburn, Executive Director of the State Board of Education, presented this item. As reasons for revocation of the charter agreement, Shelby County Schools stated the charter school did the following:

- Material violation of any of the conditions, standards, or procedures set forth in the charter agreement pursuant to T.C.A. § 49-13-122(c)(1).

Dr. Heyburn stated that in this case it is clear that Southern Avenue Middle continually failed to meet the most minimal of performance standards as illustrated by its status on the 2014 and 2015 Priority Lists, and thus is in violation of its charter agreement with SCS. Accordingly, it is her recommendation that the State Board uphold SCS’s revocation of Southern Avenue Middle’s charter.

ACTION: **Mr. Edwards** moved approval. **Vice Chair Pearre** seconded. A roll call vote was taken as follows:

	Yes	No	Absent
Allison Chancey	X		
Mike Edwards	X		
Lillian Hartgrove	X		
Cato Johnson	X		
Carolyn Pearre	X		

	Yes	No	Absent
Lonnie Roberts			X
William Troutt	X		
Wendy Tucker	X		
Fielding Rolston	X		

The motion passed unanimously.

IV. Adjournment

Chairman Rolston then thanked the Board members for their thoughtful deliberations and announced that the Board will meet next on July 22, 2016.

Approved by: _____ Date: _____