SOUTH DAKOTA BOARD OF EDUCATION MINUTES

Date:	Monday, May 16, 2016—9:00 a.m. Central Time

Location: Northern State University, Student Center, Centennial Rooms A & B West
1200 South Jay Street, Aberdeen, South Dakota

Public telephonic access:
1-866-410-8397/conference code: 8381998525

Present: Sue Aguilar, Member
Kelly Duncan, Member
Glenna Fouberg, Member
Scott Herman, Member
Marilyn Hoyt, Member
Donald Kirkegaard, President
Julie Mathiesen, Member
Terry Sabers, Vice-President
Deb Shephard, Member

DOE Staff in attendance: Abby Javurek-Humig, Becky Nelson, Tiffany Sanderson, Erin Larsen, Laura Scheibe, Bobbi Rank, Ferne Haddock, and Holly Farris.

DOE staff in attendance via phone: Mary Stadick Smith

Others in attendance: Dr. James Smith (Northern State University), Dr. Paul Turman (Board of Regents), Jeff Holcomb (Southeast Technical Institute), Mike Wilson (Mitchell Technical Institute), Jim Jacobsen (Southeast Technical Institute), Kent Alberty (Sioux Falls School District), Representative Lee Schoenbeck, Katherine Grandstrand (media), and other members of the public present both personally and via telephone.

Call to Order, Pledge of Allegiance, and Roll Call:

President Kirkegaard called the meeting to order at approximately 9:00 a.m. CT.

Adoption of Agenda:

Item 2.A., welcome remarks and update on activities at Northern State University by NSU president, was proposed as an amendment to the May 16, 2016, proposed agenda.

Motion by Duncan, second by Fouberg, to adopt the May 16, 2016, amended agenda. Voice vote, all present voted in favor. Motion carried.

Remarks by NSU President:

Dr. James Smith, president of Northern State University, welcomed the Board to campus and provided an update on activities at NSU.

Approval of Minutes:

Motion by Aguilar, second by Mathiesen, to approve the March 14, 2016, minutes. Voice vote, all present voted in favor. Motion carried.

Board of Regents Report:

Paul Turman, Board of Regents system vice president for academic affairs, presented information on the Board of Regents Shared Responsibilities Taskforce, Teacher Education Accountability Report, and Complete College America collaboration efforts on remedial education.

Statewide Attainment Goal:

Tiffany Sanderson, DOE director of Career and Technical Education, presented a report on the postsecondary statewide attainment goal set by the Board of Regents and DOE efforts to help achieve the goal. The goal is that 65% of 25- to 34-year-olds in South Dakota will have a postsecondary credential by 2025. Collaboration between K-12 schools, technical institutes, Board of Regents, private schools, and tribal schools will be necessary to reach this goal. Focus will be placed on assisting people with partially completed postsecondary studies to complete programs, and on programs for veteran and minority populations.

Proposed Constitutional Amendment R:

Bobbi Rank, Board legal counsel, presented information on the proposed Amendment R to the South Dakota Constitution, concerning technical institute governance.

President Kirkegaard declared a recess at 9:54 a.m. CT.

President Kirkegaard declared the meeting back in session at approximately 10:01 a.m. CT.

Public Hearing—Standards: Career and Technical Education:

The Board convened the fourth and final public hearing at approximately 10:01 a.m. CT on the following proposed standards: Career and Technical Education.

Erin Larsen, DOE division of career and technical education, testified in favor of all proposed CTE standards. All CTE standards are broken down into career clusters, which bring together

the basic knowledge and skills needed for a set of careers. The clusters are divided into pathways with more specific career information. Pathways are then divided into courses.

The standards in each career cluster were revised through a common process in consultation with the National Center for College and Career Transitions and feedback from teachers in the field and industry members and employers. Workgroups were also convened, consisting of parents, educators, industry members, post-secondary faculty, and school counselors. Each group met for three sessions over the summer and considered data while revising and preparing the drafts of the proposed standards.

Architecture and Construction Standards

Larsen testified that the workgroup focused on three pathways within the standards and embedding work-readiness skills across all courses and added an additional course on cabinetry. Four public comments were received on these proposed standards at prior hearings. Exhibits 1 and 2 were from members of the public and raised concerns with the proposed rules, and exhibits 3 and 4 were workgroup responses to public comments entered into the record. Architecture and Construction Exhibit 1 addressed vagueness in the standards. The workgroup responded that this issue would be addressed during the unpacking process. Architecture and Construction Exhibit 2 addressed the addition of an electrical technician course and development of a dual credit course in that area. The workgroup responded that DOE staff is working with technical institutes to develop those opportunities.

No new public comments were received.

There was no opponent testimony.

Foundational Career and Technical Education Standards:

Larsen testified that the courses in this area are typically offered in middle school and early high school for students to explore leadership and career opportunities. Three public comments were received on these proposed standards at prior hearings. Exhibit 1 was from a member of the public and raised an issue with the proposed standards, and exhibits 2 and 3 were workgroup responses to public comments entered into the record. Foundational Career and Technical Education Exhibit 1 asked the workgroup to include standards on computer applications. The workgroup met and agreed to add this topic. After consultation with the Information Technology workgroup, however, the Foundational CTE workgroup decided not to add computer applications standards.

No new public comments were received.

There was no opponent testimony.

Education and Training Standards:

Larsen testified that these standards relate to careers in K-12 education and corporate training. One public comment was received on these proposed standards at a prior hearing. The comment, from a workgroup member, supported the proposed standards and appreciated the cooperation among workgroup members.

No new public comments were received.

There was no opponent testimony.

7-12 Information Technology Standards:

Larsen testified that the Information Technology workgroup worked to clarify the pathways in this standards area and identified Project Lead-the-Way courses that would complement the standards.

Six public comments were received on these proposed standards at prior hearings. Exhibits 1-4 were from members of the public. Exhibits 1 and 4 raised issues with the proposed standards, and exhibits 2 and 3 were in support of the standards. Exhibits 5 and 6 were workgroup responses to public comments entered into the record. 7-12 Information Technology Exhibit 4 requested that standards on cybersecurity be added and the workgroup responded that cybersecurity standards would be duplicative in light of the rest of the courses. A Project Lead-the-Way course is also being developed that students interested in cybersecurity may take. 7-12 Information Technology Exhibit 1 asked about dual credit opportunities within these standards and the workgroup responded that those opportunities will be identified during the unpacking process.

No new public comments were received.

There was no opponent testimony.

Law, Public Safety, and Security Standards:

Larsen testified that these standards are completely new. The workgroup members in this area focused on the need for technical writing and speaking skills. Two new courses were developed for this standards area. This standards area will offer good opportunities for dual credits.

No public comments were received.

There was no opponent testimony.

Science, Technology, Engineering, and Mathematics (STEM) Standards:

Larsen testified that the workgroup focused on the rapid changes that occur in this field and worked to formulate the standards to ensure the standards would not become quickly outdated. One public comment was received at a prior hearing, which supported the proposed standards.

No new public comments were submitted.

There was no opponent testimony.

The standards hearing closed at approximately 10:12 a.m. CT.

Motion by Duncan, second by Hoyt, to approve the following proposed Career and Technical Education standards: Architecture and Construction; Foundational Career and Technical Education; Education and Training; Information Technology; Law, Public Safety, Security, and Corrections; and Science, Technology, Engineering, and Mathematics (STEM). Voice vote, all present voted in favor. Motion carried

2015-2016 School Year Waivers Update:

Laura Scheibe, DOE division of assessment and accountability, presented a report on administrative rule waivers granted by the Secretary of Education. The information is also available on the DOE website. 129 districts in South Dakota have some form of administrative rule waiver. The majority of waivers fall into two categories: those for administrative and teaching staff, and those for schools granting course equivalency or high school credits before grade nine. Twenty-one schools received plan of intent waivers for staff members on plans beyond two years, and three schools have waivers for the alternative certification GPA requirements. Twelve districts have received plan of intent waivers for superintendent/principal endorsements.

114 districts received waivers regarding course equivalency or high school credits before grade nine, with the majority going to schools for granting high school credit before grade nine.

In response to board questions, Scheibe noted that the data on waivers does not raise any specific concerns. Schools are required to report that a waiver will be in the best interest of students and maintain reporting throughout school improvement plans.

Technical Institute Bond Debt Service Coverage Ratio:

Sanderson presented information on the technical institute bond debt service coverage ratio, which provides annual assurances on payoff amounts for bonds at technical institutes. Approximately $9,564,000 is due to be paid in the period for August 2016 through July 2017 (Fiscal year 2017). Approximately $13,424,000 is due to be paid in the period for August 2017 through July 2018 (Fiscal year 2018). Projected revenue sources for bond payments were also reviewed. Revenue sources include state support, student fees, and tuition subaccounts.

The state is required to have 103 percent debt service coverage to meet obligations, and current projections show that 138 percent of coverage is on hand.

In response to Board questions, Sanderson stated that projected cash flow is never guaranteed, but today's numbers are as up-to-date as possible, and the technical institute presidents are working to raise TI enrollment and retention numbers.

Motion by Shephard, second by Duncan, to approve the technical institute bond debt service coverage ratio. Voice vote, all present voted in favor. Motion carried.

STI Program Name Change:

Sanderson and Jim Jacobsen, STI vice-president for academic affairs, updated the Board on a program name change at STI. The Health Information Services Diploma program will be changed to the Health Care Office Specialist Diploma to accurately reflect the content and purpose of the program.

Public Hearing—Public School Accountability Rules:

The Board of Education convened a public hearing at approximately 10:28 a.m. CT, on Monday, May 16, 2016, on proposed rules article 24:55 (public school accountability system) at Northern State University Student Center, Centennial Rooms A&B, 1200 South Jay Street, Aberdeen, South Dakota, 57401.

Article 24:55 (public school accountability system)

Public comment

One written public comment was received into the record of the hearing.

Proponent testimony

Laura Scheibe, DOE division of assessment and accountability, testified in favor of the proposed rules. The rule changes are the result of direction from the United States Department of Education (US DOE) regarding transitioning to the new federal law, the Every Student Succeeds Act (ESSA). The proposed changes add the ESSA to the definitions section and suspend school performance index (SPI) rankings for the 2015-2016 school year, thereby holding classifications steady. Schools in school improvement (those classified as Focus or Priority schools) will need to continue to do so through the 2016-2017 school year. The SPI will still be calculated, so schools will be able to measure improvements, but will not receive new classifications out of the SPI.

Scheibe addressed the written public comment by Superintendent Mike Lodmel, which requested that schools which made positive progress in the SPI score be reclassified. The changes are as a result of US DOE direction regarding transition to the ESSA, which the department is obligated to follow.

Opponent testimony

There was no opponent testimony in person or via phone.

Motion by Aguilar, second by Fouberg, to approve the public school accountability rules as proposed. Voice vote, all present voted in favor (Duncan not present when vote was called). Motion carried.

Rules hearing concluded at approximately 10:35 a.m. CT.

First Reading—Postsecondary technical institute per student allocation and set-aside, postsecondary instructor credentialing and salary support, state-aid related reporting, and shared services grant rules:

Sanderson presented a first reading of the post-secondary career and technical education set-aside, credentialing, and TI instructor salary support rules. The rules on set-asides and per student allocation reflect action from the 2016 legislative session. The proposed rules also move technical institute instructor credentialing from the State to the technical institutes in line with 2016 SB 8.

HB 1182 allocates money for increases in technical institute instructor salaries to competitive levels. The funds would be portioned in two sections: (1) Base funding, which would distribute funds equally among the technical institutes for instructor salaries, and (2) funding to the institutes distributed based on highest need to move salaries to competitive market levels with industry.

In response to Board questions, Sanderson stated that funding for the proposed programs begins in the coming fiscal year. DOE is working with the TIs to determine instructor shortages to target the proper areas with salary increases. Determining market value for these positions will depend on consideration of several factors.

Representative Lee Schoenbeck testified in support of the proposed TI instructor salary support rules but pointed out that the intent of the legislation was not to focus on base funding but on adding to the salaries of instructors in high-needs areas to remain competitive with industry.

In response to Board questions, Sanderson discussed the timeline of when the proposed rules could be in place, if passed, and that the funds supplied through HB 1182 will only go toward instructor salaries, not overhead or operating expenses. Any terminology regarding base funding was used to identify that the majority of funds would need to go in terms of high needs

areas, once K-12 salaries are adjusted in light of those HB 1182 funds. The Department would gather additional comments when bringing the rules to public hearing.

Abby Javurek-Humig, DOE director of accountability and assessment, presented a proposed rule to set a March 1 date for school districts to report changes to their educational structure. The new date aligns with existing statutory requirements in place for districts regarding new schools or school closures.

Becky Nelson, DOE director of learning and instruction, presented a first reading of shared services grant award rules. The proposed rules are the result of the passage of Senate Bill 133 during the 2016 legislative session. The rules establish the criteria, priority factors, and conditions for shared services grants, which incentivize the sharing of employees between school districts. Funds can be awarded for up to three years, but in years two and three, funds will be scaled back and awarded as a percentage of the first year's funds. This will allow the school districts to transition into supporting the services on their own. Nelson also stated that the funding for this grant comes from a special appropriate from the legislature.

Motion by Sabers, second by Aguilar, to move the postsecondary technical institute per student allocation and set-aside, postsecondary instructor credentialing and salary support, state-aid related reporting, and shared services grant rules to a public hearing. Voice vote, all present voted in favor. Motion carried.

STI Update:

Kent Alberty, president of the Sioux Falls School District, provided an update on the status of Southeast Technical Institute. Alberty reported that STI President Jeff Holcomb is retiring, and STI has hired the firm of Hazard, Young, and Attea to assist in finding Holcomb's replacement.

Alberty also noted that a budget deficit was reported in the media, but it was not the final STI budget. The STI business manager and other staff continued work and will present a nearly balanced budget to the Sioux Falls School Board. STI has examined the finances in light of decreasing enrollment, and the STI leadership team and all programs will be evaluated once the new president is selected. Potential changes will be examined at that time, but STI is in solid shape right now.

In response to Board questions, Alberty stated that school board hopes to have replacement candidates identified by July 1 and to have the final selection at work by September 1. Survey results from industry and students reflect the desire to have someone with academic understanding, but relationships with the business community are also key for this position. President Holcomb has agreed to remain on after his retirement date, but it is unknown at this time if there will be a gap between Holcomb and the new president.

HB 1214 Waivers—Special Meeting Schedule:

Rank requested that the Board hold a special meeting in June to address potential waivers required by the passage of HB 1214 during the 2016 Legislative Session, which goes into effect on July 1. Rank provided a brief summary of HB 1214 and its applicability to the Board of Education. Rank stated that written guidance is forthcoming that will provide a matrix for board member disclosures and whether or not a waiver for board disclosures is needed. A June special meeting will allow potential waivers to be addressed before the July 1 date.

In response to Board questions, Rank stated that the Board may make the decision to issue a waiver and if no waiver is granted, then the subject contract is voidable, according to the statutory language.

Motion by Fouberg, second by Sabers, to hold a special meeting of the Board on June 20, 2016, at 9 a.m. in Pierre, South Dakota. Voice vote, all presented voted in favor. Motion carried.

Secretary's Report:

Mary Stadick Smith, DOE deputy secretary, presented the Secretary's report. Stadick Smith provided information on the DOE's progress on preparing for implementation of ESSA, as passed by Congress, and legislation passed by the South Dakota legislature during the 2016 session including shared services and mentor program funding, classroom innovation and paraprofessional tuition assistance grants, national board certification reimbursement, and suicide prevention training requirements.

In response to Board questions, Stadick Smith noted that the conversation is ongoing as to whether mentoring programs will be statewide or regional. Stadick Smith also stated that the DOE is still bound by the current rules on principal effectiveness evaluations but that guidance on new requirements may be available by mid-summer.

Adjournment:

Motion by Shephard, second by Mathiesen, to adjourn the meeting. Voice vote, all present voted in favor. Motion carried.

The meeting was adjourned at approximately 12:00 p.m. CT.

Ferne G. Haddock 6/20/2016

Ferne G. Haddock Date