



CLASSROOMS FIRST INITIATIVE COUNCIL MINUTES

General Meeting – June 26, 2015 2:30 P.M.

Location: 1700 W. Washington
2nd Floor Conference Room
Phoenix, Arizona 85007

Members Present: Governor Doug Ducey, Alicia Alvarez, Brian Capistran, Tim Carter, Susan Chan, Annie Gilbert, Kenneth Hicks, Beth Maloney, Greg Miller, Co-Chair Jim Swanson, and Dawn Wallace

Members Absent: Janna Day and Superintendent Diane Douglas

Staff Present: Veronica Metz and Kristin Sorensen

Call to Order, Welcome & Introductions

Mr. Jim Swanson called the meeting to order at 2:30 P.M. and asked the Council members to introduce themselves.

Governor's Remarks

Governor Doug Ducey addressed the Council and discussed the necessity and importance of the Council's work and charged the Council "to ensure that every child – regardless of where they live – has access to an excellent education." The Governor then offered the Council six guiding principles:

- Focus on what is best for students.
- Fund schools based on academic outcomes.
- Give flexibility to achieving schools.
- Ensure that funding follows students and is transparent.
- Draw schools/principals into the budgeting process.
- Assemble one funding formula that can be used in every school.

Open Meeting Law Review

Veronica Metz, with the Governor's Office, addressed the Council and advised Council members that when meeting in a group they are not to discuss Council business. Communication includes: in-person meetings, phone calls, group texts, and emails.

Public Comments

Molly Kasperek, with Pebble Creek Residents Action Group, addressed the Council with the group's concerns regarding the high increase of school district bonds and overrides in their area. Ms. Kasperek requested that the Council consider limiting district excessive overhead to help reduce the need of school bond overrides.

Michael McGowan, a Glendale Union High School District teacher, addressed the council and voiced his appreciation for the meeting time of the Council. Mr. McGowan asked for additional meetings to be scheduled for later in the day to give working parents and teachers an opportunity to attend future meetings.

Joe Geusic addressed the Council and voiced his desire to see that the state of Arizona place education first in its priorities to help drive Arizona's economy.

Doreen Zannis, with Support our Schools AZ, addressed the Council and offered the assistance of her organization to the Council as a parent-based organization.

Rebecca Gau, with Stand for Children Arizona, addressed the Council and voiced her belief that the current education funding formula at its core is a national standard but there is room for improvement, especially in funding transparency. Ms. Gau also offered the Council Stand for Children Arizona's support and technical assistance.

Jim Hall, with Arizonans for Charter School Accountability, addressed the Council and advised that the Auditor General is not able to monitor charter schools spending. Mr. Hall asked that Council require charter schools to submit to the same financial reporting that district schools must submit to.

Presentations by Consultants

- Understanding School Finance
Eileen Sigmund and Ildi Laczko-Kerr, with the Arizona Charter Schools Association, gave the Council a brief overview of school funding, discussing equalization funding, core funding and supplemental funding as they impact district and public charter schools.
Michael Hunter, with the Goldwater Institute, then offered the Council an outline of property taxes as they impact school finance.
- School Accountability
Eileen Sigmund and Ildi Laczko-Kerr returned to review Arizona school accountability requirements for elementary and high school.
- Funding Levers
Becky Hill, with the Arizona Chamber of Business and Industry, gave the Council an overview regarding funding levers that are used in school finance. Such levers are used to assist in driving outcomes. These funding levers include but are not limited to:
 - Poverty
 - Achievement
 - Human Capital
- Special Education
Dawn Wallace, with the Governor's Office, presented on behalf of the Foundation for Excellence in Education. Ms. Wallace presented to the Council Arizona's special education data, reviewing different types of disabilities and the costs associated with addressing those disabilities.
- School Governance
Janice Palmer, with Arizona School Boards Association, gave the Council a brief outline on school governance, discussing overarching duties and authority.
- School Budget Process
Meghaen Del'Artino, with the Education Finance Reform Group, and Chuck Essigs, with the Arizona Association of School Business Officials, provided the Council a look into the

school budget process. Ms. Del'Artino and Mr. Essigs reviewed the different funding needs of schools as well as revenue sources.

- **Backpack Funding**

Lisa Graham Keegan, with A for Arizona, and Lisa Snell, with the Reason Foundation, discussed the concept of “backpack funding” with the Council. Ms. Graham Keegan and Ms. Snell defined “backpack funding” as portable funding that follows students into schools. This funding is based on the needs of each individual child and not on the staffing needs of each school.

Discussion of Subcommittees

Mr. Swanson reviewed the need to form subcommittees to continue the Council’s work. Mr. Swanson advised that he would like staff to work on an outline of four subcommittees focusing on:

- Formula Equity
- Formula Usage and Structure
- Rewarding Achievement and Outcomes
- Student Centered Funding

Mr. Swanson directed staff to add this discussion to the next meeting agenda.

Next Meeting

Mr. Swanson advised that the Council will have its next meeting on July 9th and requested that calendar discussions be made at the July 9th meeting.

Adjourn

With no further business before the Council, Mr. Swanson adjourned the meeting at 5:16 P.M.