

APPROVED MINUTES (11/5/08)

BOARD OF EDUCATION OF BALTIMORE COUNTY, MARYLAND

Tuesday, September 23, 2008

The Board of Education of Baltimore County met in open session at 4:45 p.m. at Greenwood. President JoAnn C. Murphy and the following Board members were present: Mr. James E. Coleman, Ms. Frances A. S. Harris, Mr. Earnest E. Hines, Mr. Rodger C. Janssen, Ms. Ramona N. Johnson, Ms. Mary-Margaret O'Hare, Mr. Joseph J. Pallozzi, Mr. H. Edward Parker, Ms. Valerie A. Roddy, Mr. David Uhlfelder, and Miss Annette Karanja. In addition, Dr. Joe A. Hairston, Superintendent of Schools, and staff members were present.

Ms. Murphy reminded Board members of community functions and Board of Education events scheduled in September and October.

Pursuant to the Annotated Code of Maryland, State Government Article, §10-508(a)(1) and (a)(9) and upon motion of Mr. Janssen, seconded by Mr. Pallozzi, the Board commenced its closed session at 4:50 p.m.

CLOSED SESSION MINUTES

The Board of Education of Baltimore County, Maryland, met in closed session at 4:50 p.m. at Greenwood. President JoAnn C. Murphy and the following Board members were present: Mr. James E. Coleman, Ms. Frances A. S. Harris, Mr. Earnest E. Hines, Mr. Rodger C. Janssen, Ms. Ramona N. Johnson, Ms. Mary-Margaret O'Hare, Mr. Joseph J. Pallozzi, Mr. H. Edward Parker, Ms. Valerie A. Roddy, Mr. David Uhlfelder, and Miss Annette Karanja. In addition, Dr. Joe A. Hairston, Superintendent of Schools, and the following staff members were present: J. Robert Haines, Esq., Deputy Superintendent; Ms. Rita Fromm, Chief of Staff; Dr. Patricia Abernethy, Chief Academic Officer; Mr. William Lawrence, Assistant Superintendent, Northwest Area; Dr. Robert Tomback, Assistant Superintendent, Northeast Area; Dr. Manuel Rodriguez, Assistant Superintendent, Southwest Area; Ms. Jean Satterfield, Assistant Superintendent, Southeast Area; Mr. Lyle Patzkowsky, Assistant Superintendent, Central Area; Dr. Donald Peccia, Assistant Superintendent, Human Resources; Dr. Alpheus Arrington, Director, Human Resources; Mr. Daniel Capozzi, Staff Relations Manager; Ms. Barbara Burnopp, Chief Financial Officer; Margaret-Ann Howie, Esq., General Counsel; P. Tyson Bennett, Esq., Counsel to the Board of Education; and Ms. Carol Wirtz, Administrative Assistant to the Superintendent.

Mr. Capozzi updated Board members on negotiations with collective bargaining units.

Mr. Capozzi exited the room at 4:55 p.m.

Ms. Burnopp reviewed with Board members the regulatory changes affecting Baltimore County Public School's (BCPS) 403(b) program.

CLOSED SESSION MINUTES (cont)

Ms. Burnopp exited the room at 5:30 p.m.

Ms. Howie discussed with Board members its options regarding the impasse proceedings with a collective bargaining unit.

Dr. Peccia reviewed with Board members personnel matters to be considered on the evening's agenda.

At 5:38 p.m., Ms. Murphy moved the Board adjourn its closed session for a brief dinner. The motion was seconded by Ms. O'Hare and approved by the Board.

OPEN SESSION MINUTES

The Board of Education of Baltimore County, Maryland, reconvened in open session at 6:30 p.m. at Greenwood. President JoAnn C. Murphy and the following Board members were present: Mr. James E. Coleman, Ms. Frances A. S. Harris, Mr. Earnest E. Hines, Mr. Rodger C. Janssen, Ms. Ramona N. Johnson, Ms. Mary-Margaret O'Hare, Mr. Joseph J. Pallozzi, Mr. H. Edward Parker, Ms. Valerie A. Roddy, Mr. David Uhlfelder, and Miss Annette Karanja. In addition, Dr. Joe A. Hairston, Superintendent of Schools, and staff members were present.

PLEDGE OF ALLEGIANCE

The open session commenced with the Pledge of Allegiance to the Flag, which was led by Ms. Marilyn Ryan, followed by a period of silent meditation for those who have served education in the Baltimore County Public Schools.

Mr. Parker moved that the Board add to the agenda, Consideration of the Recommendations of the Board of Education-TABCO Impasse Panel. The motion was seconded by Mr. Coleman and unanimously approved by the Board (favor-12).

Ms. Murphy informed the audience of the sessions in which Board members had participated earlier in the afternoon.

OLD BUSINESS

FY10 Proposed Capital State Budget

Mr. Pallozzi moved to adopt the FY10 Capital State budget, as presented in Exhibit A. Mr. Coleman seconded the motion. The Board unanimously approved the budget (favor – 11). Miss Karanja, student Board member, did not vote.

PERSONNEL MATTERS

On motion of Mr. Janssen, seconded by Mr. Pallozzi, the Board approved the personnel matters as presented on exhibits B and C (Copies of the exhibits are attached to the formal minutes).

BOARD OF EDUCATION-TABCO IMPASSE PANEL

Ms. Roddy moved that the Board reject the recommendations of the majority of the Impasse Panel, as issued on September 10, 2008. Ms. O'Hare seconded the motion. The Board unanimously rejected the recommendations (favor-11). The student member, Miss Karanja, did not vote.

REPORTS

The Board received the following reports:

- A. **Report on 403B Program and Vendor Selection** – Mr. Michael Beckzowski from Bolton Partners Investment Consulting Group, Inc., reviewed with Board members the school system's current 403(b) program, as presented in exhibit D. Key points of the program include:

- There are ten vendors in the program.
- Annual cash flow of \$29 million.
- Assets are approximately \$478.6 million.
- Plan plagued by too many vendors and investment choices.
- There has been an inability to effectively communicate the program to employees.
- Fees of three largest providers cost participants at least \$2.3 million annually.

Mr. Beckzowski reviewed with Board members the impact of fees, a single vendor vs. multiple vendors, and the options for consideration in the Board's plan.

- **Single Vendor Option**
 - Results in the most favorable pricing for participants
 - Eliminates redundancy of investment styles
 - Lower administrative burden for BCPS
 - Potentially higher participation rate
 - Surrender charge buyouts available
 - Single vendor more desirable for legal accountability
- **Multiple Vendors Option**
 - Reduced pricing from current vendors
 - Additional cost of a third party administrator
 - Higher administrative burden for BCPS
 - Commissioned agents will be used
 - All fees are not transparent
 - Multiple vendors may impede legal responsibility

REPORTS (cont)

Ms. Harris asked whether the school system had a particular vendor in mind. Ms. Burnopp responded BCPS is gathering information from the consultant and collective bargaining units and will present a vendor(s) to the Board at its October 7 meeting.

Mr. Uhlfelder asked whether there are a number of third-party administrators. Ms. Burnopp responded that it would vary whether the school system could use one of the vendors that are selected or generate a request for proposal (RFP) for a third-party vendor.

Ms. Johnson asked about the advantage of keeping with multiple vendors. Mr. Beckzowski responded there is not a huge advantage with multiple vendors; however, there could be a potential for participant disruption. Ms. Johnson stated that it seems that, in the long run, a single vendor could offer more advantages for employees.

Mr. Janssen asked whether these investment firms would roll over the options and whether the requirement be included. Mr. Beckzowski responded that each investment firm offered funds from a broad area of investment styles. Mr. Beckzowski stated that BCPS could set up a committee to periodically review the investment options. Ms. Burnopp noted that the option to swap out funds, also known as "open architecture" was built into the original bid process.

Ms. O'Hare asked how an individual would transition to the new program. Mr. Beckzowski responded that participants will not be required to move their existing assets over to the new program. The funds would be limited to future contributions.

With respect to the existing ten vendors, Mr. Uhlfelder asked how much of the \$478,606,861 resided with each vendor. Mr. Beckzowski responded that the majority resided within the top three vendors: AIG, Lincoln, and MetLife/City Street. Mr. Uhlfelder expressed concern that present participants will have difficulty maneuvering their funds. Mr. Beckzowski stated that with a single vendor scenario, the majority of the investment options are not those vendors' proprietary funds. Ms. Burnopp stated that the IRS allows a participant to leave his/her funds with an existing vendor; however, additional funds cannot be added.

Mr. Uhlfelder asked what happens to the annuity contracts. Mr. Beckzowski responded that, if a participant continues to leave its money in place, the annuity contract continues as is.

- B. Report on Baltimore County Public School's Virtual Instruction Program (VIP)**
– Mr. Dale Rauenzahn, Executive Director of Student Support Services, shared with Board members a video on digital learning. As defined by Mr. Rauenzahn, virtual education removes the classroom walls to accessing resources for teachers and for our students to enhance the education and learning process.

REPORTS (cont)

Mr. Rauenzahn reviewed the latest resources and technologies, which included:

- Virtual teacher resources
- Virtual classrooms of the 21st Century
- Virtual curriculum and courses
- Virtual instruction classroom, and
- Virtual schools.

Mr. Rauenzahn stated that while the system's virtual school pilot had ended, BCPS continues to explore options and diverse ways that the school system can deliver virtual education in Baltimore County. The school system will continue to review all options in implementing a virtual school in the future.

Ms. O'Hare asked whether school system will have the ability to implement the virtual school in the future. Mr. Rauenzahn responded that staff is in the beginning stages of the budgetary process and that all options are being reviewed including the possibility of offering our own virtual school. Ms. O'Hare stated that this program appeared beneficial for those students that did not thrive in a regular school environment.

Ms. Johnson asked that if she would walk through one of the school system's more challenging schools what would be observed as it relates to the virtual instruction resources and programs. Mr. Rauenzahn responded that while there is some access to resources and programs, BCPS is constantly trying to improve all schools in the area of technology. He stated that teachers are engaging available resources, such as Safari Montage, and that students are accessing computers in the classroom instead of going to a computer lab. Mr. Rauenzahn noted there are challenges, which are budget-related at this point.

Ms. O'Hare asked whether the Board can receive a snapshot, by school, of the technology currently being used, such as Safari Montage, so that it can see where the resources are. Mr. Rauenzahn responded that the school system has seven 21st century labs, and that the Office of Information Technology has been tasked to collect the data to see what technology is being used by teachers.

Ms. Thea Jones, Supervisor of Instructional Technology, shared with Board members her involvement with the Maryland State Department of Education (MSDE) in respect to student access to technology and student literacy technology.

Ms. Della Curtis, Coordinator of Library Information Services, noted the seven 21st century lab locations are: Dogwood Elementary School, Milford Mill Academy, Rodgers Forge Elementary School, Perry Hall Middle School, Sussex Elementary School, Timonium training center, and Pulaski center.

REPORTS (cont)

Dr. Hairston commented that Lockheed Martin and Northrop Grumman are partnering with BCPS to develop a virtual instructional environment. The goal is to have a prototype software development for instructional simulation by December 2008 with a target date to have the entire virtual classroom built by May 2009.

Mr. Coleman asked for the student-teacher ratio in the AdvancePath Academy. Mr. Rauenzahn responded that there are four teacher/coaches who do not teach a class but work with a caseload of approximately 15 students.

Mr. Parker asked whether studies were available to compare the cost between “brick and mortar” schools to the virtual instruction program. Mr. Rauenzahn responded it costs approximately \$10,000 per student in “brick and mortar” schools compared to approximately \$5,000 to \$7,000 per student in the VIP.

Ms. O’Hare asked whether the school system will place the AdvancePath Academy program elsewhere in the county. Mr. Rauenzahn responded affirmative; however, there are budgetary issues, such as transportation and purchasing the program. He noted that BCPS currently has a five-year contract with the AdvancePath Academy vendor.

Mr. Parker asked what would be the biggest challenge for the school system. Mr. Rauenzahn responded that the software—loading the curriculum into the learning management system—is the biggest challenge. Mr. Parker asked if there is a management system that can be put in place so that the school system does not overspend on old technology. Mr. Michael Goodhues, Chief Information Officer, responded that BCPS is engaged with a VSP partner that will allow the school system to deliver the automated delivery of applications, devices, projects, and printers to monitor current and future inventory.

C. **Update on Performance Goals** – Dr. Tamela Hawley, Director of Research, Accountability, and Assessment, reviewed highlights from the Seismic Shift presentation given to the Board at its August retreat:

- Baltimore County has increased its population, growing from 632,134 in 1990 to 763,181 in 2004.
- The number of minorities has increased from 15.0% in 1990 to 29.7% in 2004.
- The median income has increased but so has the percentage of students receiving Free and Reduced Price Services (FARMS).
- Student enrollment in the system continues to increase (24% over the last 10 years).
- Minority enrollment has increased by 184% since 1990.

REPORTS (cont)

- The number of ELL students has increased by 183% since 1990.
- The number of FARMS students has increased from 12.6% of the population in 1990 to 31.8% in 2005.

Dr. Hawley shared with the Board the AP, MSA, and SAT performance growth for elementary, middle, and high schools. Research shows the number one reason students succeed is due to classroom instruction. Therefore, if a student is prepared, he/she can succeed.

Dr. Hawley noted that the next steps for research include: to further define student preparation; examine the effect of specific interventions; and to explore the impact of social and economic conditions across system areas.

Mr. Janssen asked for clarification on the chart 1.14.1–AP Pass Rate; it appears that some schools are doing better than in previous years and other schools are just holding on. Dr. Hawley stated that schools are decrease, remaining stable, or increasing. Mr. Janssen stated it would have been helpful if the Board had a listing of each school's pass rate percentage over the last few years.

Ms. Johnson stated that there are schools still needing assistance. As BCPS reviews the data at the individual school level, Ms. Johnson asked about factors for student success. Dr. Hawley responded that different students need different choices in instruction; BCPS needs to identify what types of instruction to help students succeed. Dr. Hawley briefly reviewed sample variables as noted in chart 27 of exhibit F. Ms. Johnson asked how long it will take to analyze the data and what the next steps are. Dr. Hawley responded the next steps are to drill into and analyze the data by student type, then to understand how students move from one step to the next.

ANNOUNCEMENTS

Ms. Murphy made the following announcements:

- The Northeast Area Education Advisory Council will hold its operating pre-budget hearing on Wednesday, September 24, 2008, at Eastern Technical High School beginning at 7:00 p.m.
- The Central Area Education Advisory Council will meet on Thursday, September 25, 2008, at Dumbarton Middle School beginning at 7:00 p.m.
- The Southeast Area Education Advisory Council will hold its next meeting on Monday, October 6, 2008, at Sollers Point Technical High School beginning at 7:00 p.m.

ANNOUNCEMENTS (cont)

- The Board of Education of Baltimore County will hold its next meeting on Tuesday, October 7, 2008, at Greenwood. The meeting will begin with an open session at approximately 5:00 p.m. The Board will then adjourn to meet in closed session. The open session will reconvene at approximately 7:30 p.m. The public is welcome to all open sessions.

ADJOURNMENT

Since there was no further business, the Board adjourned its meeting at 8:38 p.m.

Respectfully submitted,

Joe A. Hairston
Secretary-Treasurer

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