

**Educational Service Districts**

ESD 101  
Spokane  
ESD 105  
Yakima  
ESD 112  
Vancouver  
ESD 113  
Olympia  
ESD 123  
Pasco  
North Central ESD 171  
Wenatchee  
Northwest ESD 189  
Anacortes  
Olympic ESD 114  
Bremerton  
Puget Sound ESD 121  
Renton

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**AESD EXECUTIVE BOARD**  
**Thursday, April 24, 2008**  
**Everett Holiday Inn, Rucker 1-2**  
**Lunch and Business Meeting – 1:00 p.m.**

**MINUTES**

**Call to Order:** President Robert Bauer called the meeting of the executive board to order at 1:20 p.m. A quorum was established. Members present were:

**ESD Superintendents**

Dr. Terry Munther, ESD 101  
Dr. Jane Gutting, ESD 105  
Dr. Twyla Barnes, ESD 112  
Dr. Bill Keim, ESD 113  
Dr. Walt Bigby, Olympic ESD 114  
Dr. Monte Bridges, Puget Sound ESD 121  
Bruce Hawkins, ESD 123  
Dr. Rich McBride, North Central ESD 171  
Dr. Jerry Jenkins, Northwest ESD 189

**AESD Board Members**

Robert Bauer, ESD 101 – **President**  
Maggie Perez, ESD 105  
Bill Baumann, ESD 112  
Dr. Howard Coble, ESD 113  
Jean Wasson, Olympic ESD 114 (substitute for Katie Proteau)  
Charles Staadecker, Puget Sound ESD 121 (newly appointed)  
Brad Gingerich, ESD 123  
Larry MacGuffie, North Central ESD 171  
Merle Kirkley, Northwest ESD 189 (newly appointed)

**Others Present**

Dwaine Klein, ESD 101 board member  
Si Bautista, North Central ESD 171 board member  
Maria Cashman, AESA executive in residence at ESD 112  
Loy Dale, ESD 112 staff  
Eldene Wall, Executive Assistant, North Central ESD 171  
Tom Kelly, AESD Executive Services  
Jim Shoemake, AESD Executive Services  
Paul Rosier, WASA Executive Director  
Martharose Laffey, WSSDA Executive Director  
Cindy Sands, WSSDA Staff Liaison to AESD

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Introductions of members and guests were made. Monte Bridges announced that former AESD board member, Ken Seng was very ill and a get-well-card will be sent to him. He introduced new member, Charles Staadecker as the board member to the AESD. ESD 189 has appointed Merle Kirley to replace Gordon Griggs who will shortly be leaving his board. ESD 112 introduced their executive in residence, Maria Cashman from Cedar Rapids, Iowa. Other guests were recognized.

### **Approval of Agenda**

Moved/Seconded/Carried/Wasson/Gingerich to add two items to the agenda: discussion of state auditor's federal procurement rules for ESD services and presenting an award to past AESD members' service on the AESD executive board.

### **Approval of Minutes**

Moved/Seconded/Carried/Gingerich/Coble to approve the February 11, 2008 Minutes.

### **ESD System Design Work**

Bill Keim reported on the status of the ESD systems design work. He referenced the planning initiative update document that consultant, Susan Leddick provided. The document discussed the background, philosophical structure, values and beliefs and set out some design specifications for a new system. He expressed his appreciation to the members for their dialogue in coming to consensus on a plan. They will gather feedback from the membership and the Board will revise the plan based on the input and create an action plan. That will become the strategic plan as it will contain the priorities of the organization. He commented in particular, on the following goals:

The ESD network will

1. Develop strength and autonomy at the local service level while creating a consistent delivery system at the state level;
2. Be the statewide system of choice for development and delivery of state, federal and private education initiatives.
3. Influence state education policy. Work toward mutual benefit with policymakers on policy development and initiative deployment.
4. Use well-defined processes and structures to support the statewide system.

While each ESD will retain its unique entrepreneurship character, there are benefits from "system delivery" of certain services. It is the goal that the ESDs be the first entity the legislature thinks of when looking for service providers and this strategy places the ESDs in an upstream position to do that.

The structural work model for the ESD statewide delivery system illustrates how the system would work — resulting in the delivery of products and services to districts, i.e., local services, initiatives and assured services. The assured services piece would be the area that will require a lot of work by the AESD board. A set of questions that need to be answered were reviewed. Those questions are:

1. How will the system be funded?
2. How will people who want to propose statewide initiatives access the system?
3. How will the system be measured and improved?
4. How will the system promote itself and its successes?
5. How will the system innovate and remain relevant and proactive?

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The next steps will involve filling in the gaps, developing an action plan to implement the plan, and looking at legislative implications. There was consensus that substantial progress had been made and the board was on the right track. Leddick suggested the name, "Council of Superintendents" for the ESD superintendents' group.

There was consensus that the entity will need to hire its own executive staff, such as is now served through a contract arrangement with WASA. For the time being, they will continue next year, as is. Legislative changes will need to be made. They will look at what other states have done in this area. Martharose Laffey added that since the fee for the administrative services (of Sands) had not been addressed since its inception and because it appeared the AESD was moving to a place where it would no longer require those services, WSSDA had chosen to remain the status quo on costs.

Robert Bauer thanked Bill and his ESD 113 board for all the time he's contributed to this project. The board will again address the status at its July meeting.

### **Strategic Plan Update**

Keim reviewed the strategic plan, explaining that almost everything has been completed. He urged members to take note the Periodic Evaluation at the bottom of each page. He will share this update with the members at Friday's business meeting.

### **Legislative Report**

Jim Shoemake reported on legislative activities. Because it was a supplemental budget year with no new funding, their approach was to get core funding as a correction rather than a new allocation; however, that did not work. From the outset, the Governor was intent on not approving any new programs and thus some of the legislative successes were vetoed by her. For example, the reading and community outreach specialists that passed the legislature was vetoed by the Governor. Another more critical proposal was a proposal for ESDs to provide fiscal technical assistance to school districts, which did not pass; however, those discussions continue because the number of districts in binding conditions continues to grow. Additionally, the new teacher allocations will impact districts' budgets even further. He thanked ESD 112 for creating a tool that will project budgets out past a year. Several budget writers have requested to see more of that.

Dropout prevention/intervention –Building Bridges (a legislatively-created two-year pilot program) helped a lot in this area; Tom Kelly is on the Steering Committee and Walt Bigby serves on the Subcommittee. No legislative action passed in this area.

The request for a capital funding study didn't get favorable action. There are plans to talk with Rep. Dunshee next year.

Statutory Change on Certification Fees: This bill passed and allows a portion of the certification fees to cover the expenses of operating the ESD certification offices. This bill was sheparded through the process and received sponsorship thanks to Rep. Regala, Sen. McAuliffe and Sen. King. He commended Jane Gutting's influence in getting it moved. Also, he said Rep. Bill Grant was to be thanked for getting it out of the rules committee.

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School District Boundaries/Organization. This bill retains ESD authority in districts in dispute over boundaries. The final change is that the ESD can now appoint regional committees rather than have school directors elect them.

Children with Autism. There were several bills addressing this but no provision for involvement of ESDs.

A lot of recognition of ESDs as being the delivery system for the state was recognized by the legislature and the statewide system concept tweaked interest. Keim was thanked for his involvement. Despite several initiatives that required no money and which did not have opposition required much bird-dogging. They also avoided legislative action that could be detrimental. He and Tom are meeting regularly with Marcia Fromhold. They plan to get involved working with OSPI and OFM early. There is a proposed \$2 billion dollar deficit. Also, half the senate and all the house will be up for election and we should know the candidates and where they stand on issues.

The proposed legislative agenda for this next session will be voted on at the AESD's July meeting. Terry Munther said he believes the legislators had begun to acknowledge the ESDs as the service delivery provider and there was no need to create a new system. The basic education funding task force – between June and September will be taking proposals on what the funding model should be. WASA providing a model, OSPI providing one, and the ESD Supts will do a regional delivery system model. Included will be core funding, reading, writing, math specialist, data support, technology support, fiscal tech assistance, secondary options for other kids, and special education director.

### **OSPI Partnership Update**

Monte Bridges and Tom Kelly serve on the coordinating council, which has about forty participants working on statewide initiatives. Members include ESDs, OSPI, the Governor's office, WASA, WEA, Microsoft representatives, deans of higher education and others. The focus is math and science. A challenge is new structure since the CID-TAC group was eliminated. The liaison group works on troubleshooting and problem-solving between agencies. For instance, when the word came out that OSPI was going to cut special education by 20%, concerns were voiced; by the next week, the cut was eliminated.

### **AESD Conference Update**

Jerry Jenkins reported on the activities and schedule planned for the conference. The keynote speaker is the national teacher of the year, Andrea Peterson. A field trip to the Museum of Flight is scheduled. Next year, ESD 123 (Walla Walla) will host the conference.

### **Constitutional Amendment**

The proposed language was reviewed. Members clarified it takes 2/3<sup>rd</sup> vote to change the constitution. It was explained that if the amendment passed, the annual conference would still occur, but the officer elections would only take place in even-numbered years.

The executive board recessed at 2:45 p.m. and resumed meeting at 3:00 p.m.

### **Celebration of ESD's 40<sup>th</sup> Anniversary**

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Twyla Barnes gave a report on plans for the ESDs 40<sup>th</sup> anniversary. Bill Baumann was appointed as chair of the 40<sup>th</sup> anniversary function.

### **AESD Accreditation Update**

Terry Munther and Jerry Jenkins provided the background. At the request of the SBE, the AESD began an accreditation process as an alternative to the NW Schools. However, when the SBE was reconstituted, they were no longer interested and the AESD took on that role exclusively. Some schools initially in the process are up for their three- year review period. Meanwhile the NW Accreditation has approached AESD wanting to explore a partnership rather than compete. They plan to keep the door open for discussions. There are three schools in the pipeline and six schools coming in for the three-year review. Chairman John Gott has called a meeting for Friday to review the processes for a May meeting. They explained that the NAS is a national accreditation; the AESA has an accreditation process also. Jerry said they could do a presentation on their pilot at the AESA conference. A merger might provide another opportunity for growth.

### **AESD Budget for 2008-09**

Keim reported on the status of the AESD's budget. He reported the AESD will end up with growing ending fund balance, even after deducting \$10,000 for the systems study; the ending fund balance will be \$11,000 more than predicted. He suggested a policy decision needed to be made. Some options were to continue to their annual conference as a revenue source for the AESD, scale back the registration cost per participant, or use the funding for some specific purpose. The proposed budget is conservative, but may have a higher ending fund balance. Howard Coble said the AESD budget could have unanticipated expenses in the future. He suggested the group stay the course and deal with the problem later if we find we don't need the extra funds. Merle Kirkley agreed and stated they are going into some critical couple of years and don't know what is needed in the future. One reason the budget was doing so well was due to the excellent sponsors that have been secured.

Moved/Seconded/Carried/Coble/Kirkley to accept the budget as proposed.

The AESD business meeting will ask the members to vote on the budget.

### **Audit**

Keim reported that an issue recently emerged in ESD 189. The auditor instructed them they were required to competitively bid for professional services when charging costs to a federal grant. They were told if they did not do so, they would have a federal finding. This impacts contracts and interlocal cooperatives.

An AESD Position Paper on federal Competitive Procurement Standards was distributed, along with the state auditor's report on federal procurement rules. Interestingly, Washington is the only state where its state auditors are interpreting the rules like this. After meeting with Brian Sonntag and finding out that the missive to school districts around rules around requirements cannot be undone, all school districts will end up getting a finding next year. Meanwhile, they are working to resolve this issue.

### **Awards**

Bill Baumann raised the fact that the AESD Executive Board had not thanked past members for their

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service. Therefore, they recognized Randy Johnston, Ken Seng, and Gordon Griggs by giving them each a small gift of appreciation.

**Other**

Martharose Laffey provided an update on the WSSDA strategic plan, WSSDA's involvement in the full funding collation, its work with the SBE's accountability work on its meaningful high school diploma and are involved in discussions around additional credits in math, social studies and science and world language.

**Adjournment**

Moved/Seconded/Carried/Baumann/Gingerich to adjourn the meeting of the AESD Executive Board at 3:39 p.m.

Respectfully submitted,

Cindy Sands  
Recording Secretary

Approved:

Robert Bauer, President