

SENATE FINANCE COMMITTEE

April 10, 2014

9:08 a.m.

[9:08:22 AM](#)

CALL TO ORDER

Co-Chair Meyer called the Senate Finance Committee meeting to order at 9:08 a.m.

MEMBERS PRESENT

Senator Pete Kelly, Co-Chair
Senator Kevin Meyer, Co-Chair
Senator Anna Fairclough, Vice-Chair
Senator Mike Dunleavy
Senator Lyman Hoffman
Senator Donny Olson

MEMBERS ABSENT

Senator Click Bishop

ALSO PRESENT

Kenny Powers, Parent, Anchorage; Deena Mitchell, Co-founder, Great Alaska Schools, Anchorage; Alyse Gadvin, Leader, Great Alaska Schools, Anchorage; Ron Fuhrer, President, National Education Association Alaska, Juneau; Mary Hakala, Self, Juneau; Hannah Marx, Student Body President, Juneau Douglas High School, Juneau; Zach Gianotti, Student Body Vice-president, Juneau Douglas High School, Juneau; Chris Mershoof, Teacher, Glacier High School, Fairbanks; Bill Bjork, Retired Teacher, Fairbanks; Sandy Traini, Teacher, Anchorage School District, Anchorage.

PRESENT VIA TELECONFERENCE

Kiki Abrahamson, Principal, Fireweed Academy School, Homer; Xander Kulhanek, Student, Fireweed Academy School, Homer; Joe Boyle, President, Mat-Su Education Association, Mat-Su; Greg Reynolds, Executive Director, Southeast Career Consortium, Sitka; Tammy Smith, President, Fairbanks Education Association, Fairbanks; Tammi Ganguli, Self, Fairbanks; Alison Arians, Coalition of Parent Teacher

Associations, Anchorage; David Boyle, Alaska Policy Forum, Anchorage; Eric Croft, Member, Anchorage School Board, Anchorage; Kathy Todd, Member, Valdez School Board, Valdez; Rick Kniazowski, Vice-president, Kodiak School Board, Kodiak; Mary Sage, Member, Barrow School Board, Barrow; Andy Holleman, President, Anchorage Education Association, Anchorage; David Nees, Self, Anchorage; Kitty Logan, Principal, Eagle River Academy Charter School, Eagle River; Bob Krumley, Superintendent, Chugach School District, Chugach; Andrew Halcro, President, Anchorage Chamber of Commerce, Anchorage; Mike Coons, Self, Palmer; Jerry Covey, Cook Inlet Tribal Council, Anchorage; Con Bundy, Self, Anchorage; Chris Reitan, Superintendent, Galena City School District, Anchorage; Roxy McDonagh, Self, Anchorage; Doren Lorenz, Chairman, Balto School Board, Anchorage; Juan San Miguel, Parent Teacher Association Alaska, Anchorage; Pat Higgins, Member, Anchorage School Board, Anchorage.

SUMMARY

CSHB 278(FIN)am
EDUCATION

CSHB 278(FIN)am was HEARD and HELD in committee for further consideration.

#hb278
CS FOR HOUSE BILL NO. 278(FIN) am

"An Act increasing the base student allocation used in the formula for state funding of public education; relating to the exemption from jury service for certain teachers; relating to the powers of the Department of Education and Early Development; relating to high school course credit earned through assessment; relating to school performance reports; relating to assessments; establishing a public school and school district grading system; relating to charter schools and student transportation; relating to residential school applications; relating to tenure of public school teachers; relating to unemployment contributions for the Alaska technical and vocational education program; relating to earning high school credit for completion of vocational education courses offered by institutions receiving technical and vocational education program funding; relating to schools operated by a federal agency; relating to a

grant for school districts; relating to education tax credits; establishing an optional municipal tax exemption for privately owned real property rented or leased for use as a charter school; requiring the Department of Administration to provide a proposal for a salary and benefits schedule for school districts; making conforming amendments; and providing for an effective date."

[9:11:01 AM](#)

Vice-Chair Fairclough asked that the testifiers speak to specific aspects of the bill. She shared that she had received many letters opposing the entire bill, but specifically addressed tenure. She hoped that the testifiers would speak about specific parts of the bill, rather than the entire bill.

^PUBLIC TESTIMONY

[9:12:53 AM](#)

KENNY POWERS, PARENT, ANCHORAGE, felt that he was representing all of Alaska. He remarked that investing in education was very importing. He felt that funding was extremely important for education. He stressed the importance of educating children. He felt that the committee should exceed the funding requests from the Anchorage School District. He encouraged attendance for the Alaska Folk Festival.

Co-Chair Kelly asked what instrument Mr. Powers played. Mr. Powers responded that he came to Juneau to dance at the Alaska Folk Festival.

Co-Chair Meyer remarked that he looked forward to attending the Alaska Folk Festival. Mr. Powers restated his testimony, reiterating the importance of education funding.

[9:17:40 AM](#)

DEENA MITCHELL, CO-FOUNDER, GREAT ALASKA SCHOOLS, ANCHORAGE, testified in support increasing the Base Student Allocation (BSA). She shared that there was a petition from Great Alaska Schools (copy on file). She stressed that Alaska was a great state, and felt that increasing education funding. She felt that the schools must be fully

funded and fully-staffed, otherwise lack of improvement will be blamed on lack of funding. She urged a BSA increase of \$400 and \$100 each year for the next two years.

Senator Dunleavy requested a copy of Ms. Mitchell's testimony.

[9:21:03 AM](#)

ALYSE GADVIN, LEADER, GREAT ALASKA SCHOOLS, ANCHORAGE, felt that education funding should not be lacking, because of the fear of fiscal crisis. She urged secure funding, and understood that it was difficult to obtain accurate information.

Co-Chair Meyer appreciated Ms. Gadvin's participation in the process.

[9:24:59 AM](#)

RON FUHRER, PRESIDENT, NATIONAL EDUCATION ASSOCIATION ALASKA, JUNEAU, stated that the National Education Association (NEA) of Alaska had six principles: make every educator a great educator; create opportunities for innovative practices; increase the amount of time the students spend learning; create a quality teacher evaluation system; reinforce effective family school partnering; and deliver a rich and varied curriculum. The goal of NEA Alaska was to work with anyone who wanted to cooperate in improving student achievement. He stated that the NEA supported Section 1, jury service exemption. The NEA supported the governor's version of Section 2. The NEA supported the star evaluation in Section 8. The NEA supported Sections 9, 10, 11, 12, and 13. The NEA supported Section 18. The NEA supported Section 19. The NEA supported the direction of Sections 20, 21, and 22. He looked at Sections 23 and 24, and announced that the NEA supported the current state statutes. The NEA supported Sections 26 and 27. The NEA supported Section 29, lease by a charter school. He looked at Sections 30 through 41, and remarked that the NEA supported investment in education, but some questioned the constitutionality of expanding tax credits to K-12 for public or private non-profit agencies or schools. The NEA supported Sections 43, 45, and 46. He looked at Section 44, and stated that the NEA supported the current state statutes. He looked at Section 47, and announced that the NEA supported using the money to study

the foundation formula, not a statewide salary and benefits study. The NEA supported Section 48.

Senator Dunleavy requested a copy of Mr. Fuhrer's testimony.

Co-Chair Kelly wondered if the NEA encouraged local members to lobby assemblies and councils to move the funding near the cap. Mr. Fuhrer replied that the NEA encouraged participation. He stated that the public wanted and expected improved student performance.

Co-Chair Kelly remarked that he attended a pot-luck at a PTA meeting, and felt that many in attendance did not know that they could go to the district to ask for funding.

[9:31:23 AM](#)

Vice-Chair Fairclough wanted to understand the thought process of the other body when they decided to extend the time for tenure. She queried the importance and need for tenure. She wondered if there were current state laws that made tenure unnecessary, because of their due process for everyone. She stressed that the bills in the schools related to various costs including energy made it difficult to determine exactly how much money should be used in the classroom. The state has continually increased the budget for education, but the costs are rising. She stated that the NEA website was difficult to navigate, and she was even rejected from the website because she was not given authorization. She queried the basis and references of the literature that NEA advocacy group was distributing. Mr. Fuhrer replied that he was unaware of her inquiry. He encouraged her to contact him directly.

[9:34:51 AM](#)

Senator Dunleavy queried the position of the NEA regarding the common core issues. Mr. Fuhrer replied that NEA Alaska supported the Alaska state standards. He was concerned about the difficulties of implementation.

Senator Dunleavy wondered if any other education associations in the state differed from NEA Alaska. Mr. Fuhrer replied that there was local participation, and many smaller organizations contributed to the guidelines of NEA.

He felt that most of the local NEA affiliates supported the Alaska state standards.

Senator Dunleavy specifically wondered if the NEA affiliates supported the NEA analysis of the bill. Mr. Fuhrer responded that he was speaking for the state organization, and stated that he would share if any affiliates agreed with his assessment.

Co-Chair Meyer expressed concern regarding the work at the state level to relieve the communities of financial burdens.

[9:40:23 AM](#)

MARY HAKALA, SELF, JUNEAU, shared that ten years prior there was an educational funding crisis. She felt that there had been an annual ritual of cutting the budget. She stated that the pressure regarding budget cuts forced many parents to come together to ensure that the students had proper funding for proper education. She felt that the work that parents paid off with only modest budget cuts, and she stressed that more work was imperative to ensure that the schools had proper funding.

[9:44:25 AM](#)

CHRIS MERSHOOF, TEACHER, GLACIER HIGH SCHOOL, FAIRBANKS, testified against tenure portion of the legislation. He stated that for public K-12 teachers, tenure did not guarantee lifelong employment. He felt that tenure was merely a guarantee of due process. He shared that he had been a teacher for six years, and was a tenured teachers. If he suddenly stopped doing his job well, his supervisor could terminate his employment by following two key steps: 1) the supervisor must inform him of what he was doing incorrectly; and 2) if he was not able or willing to change, it would be possible for the supervisor to terminate him within 60 days. He felt that the current system was effective, and did not protect bad teachers.

[9:46:37 AM](#)

BILL BJORK, RETIRED TEACHER, FAIRBANKS, felt that there were some important aspects of the legislation, but felt that changing the tenure requirement to the 5-year tenure made Alaska less competitive in the market for talented

teachers. He remarked that most of the western states had 3-year tenure. He stressed that without the reasonable tenure requirement, talented, capable, and good teachers could have their employment terminated for no reason beyond budgetary restrictions. He stressed that those individuals face major financial stresses, and are kept from moving forward with their lives. Therefore, it disrupts the economy. He felt that there were no compelling arguments to make the change in tenure.

[9:50:44 AM](#)

SANDY TRAINI, TEACHER, ANCHORAGE SCHOOL DISTRICT, ANCHORAGE, urged increasing the funding for education. She shared some anecdotes regarding the importance of special education funding. She remarked that teaching was a very difficult career, and the first few years of teaching helped teachers to adapt. She felt that adjusting tenure was a bad choice.

[9:55:23 AM](#)

AT EASE

[10:04:51 AM](#)

RECONVENED

[10:05:40 AM](#)

KIKI ABRAHAMSON, PRINCIPAL, FIREWEED ACADEMY SCHOOL, HOMER (via teleconference), testified in support of increasing the BSA. She urged support of Section 29 of the bill, she hoped that the language in the section would also include municipality and boroughs, and change the word, "may" to "will." She expressed concern regarding the change in from 150 to 75 for charter schools. She felt that the clause inhibited the ability for existing small schools to survive, and did not create an environment for new schools.

[10:08:15 AM](#)

Vice-Chair Fairclough asked that Ms. Abrahamson submit her testimony in writing. She felt that Ms. Abrahamson may not be speaking to the current version of the bill.

Co-Chair Meyer stated that the current version was H.A dated 4/7/14. He restated that the Homer LIO probably had the address that written testimony could be submitted.

Vice-Chair Fairclough shared that the NEA Anchorage Association would not provide her office with a password to access their website.

10:10:02 AM

XANDER KULHANEK, STUDENT, FIREWEED ACADEMY SCHOOL, HOMER (via teleconference), urged support of funding charter schools. He stated that his school was facing extreme budgetary problems.

10:10:45 AM

JOE BOYLE, PRESIDENT, MAT-SU EDUCATION ASSOCIATION, MAT-SU (via teleconference), testified in opposition to extending the tenure requirement. He also spoke in support of a BSA increase of \$400 or more. He stated that flat funding the BSA made it difficult for people to do their jobs. He stated that elementary teachers were forced to take on many alternative duties with the lack of funding. He suggested that the teaching careers were less appealing.

Co-Chair Meyer restated that there would be invited testimony regarding some deeper issues.

10:13:43 AM

GREG REYNOLDS, EXECUTIVE DIRECTOR, SOUTHEAST CAREER CONSORTIUM, SITKA (via teleconference), addressed Section 25 of the legislation, and spoke against that section. He stated that TVEP had been created to support education; however the consortium was still underfunded. He stressed that students in Southeast Alaska deserved the same resources and quality education as the rest of the state. He shared that the consortium was the only group in the region with a plan and had extensive training experience with high schools and communities.

10:15:24 AM

TAMMY SMITH, PRESIDENT, FAIRBANKS EDUCATION ASSOCIATION, FAIRBANKS (via teleconference), addressed two issues in the legislation. She addressed the issue of changing the way that elementary school students were graded. She expressed concern about Section 47 regarding a statewide salary schedule and benefits. She felt that the salary should be

left to local control. She testified against the change in tenure requirements.

10:20:00 AM

TAMMI GANGULI, SELF, FAIRBANKS (via teleconference), urged a substantial increase to operating funds for school districts in order to provide a quality education and reduce class sizes. She stressed that the funds would allow the school districts to continue to provide quality education, and keep classroom sizes to a minimum. She requested an increase to the BSA to between \$250 to \$400. She remarked that the BSA increase would only make up the difference from the recent previous years of flat funding. She stressed that the state provided quality education. She spoke to Co-Chair Kelly's comments regarding the legislative pot-luck. She announced that many parents attended that function to bring their concerns to the legislators.

Co-Chair Kelly commented that the committee put \$100 million into the operating budget for a BSA increase for two years. Ms. Ganguli asked Co-Chair Kelly to repeat his statement, because she has been receiving conflicting information.

Co-Chair Kelly stated that the Senate Finance Committee inserted \$100 million to increase the BSA for two years.

Ms. Ganguli asked for an outline of how much of the funds would directly impact the classroom. Co-Chair Kelly replied that \$75 million was intended to go to the district, and the district could distribute the funds as they see fit.

Co-Chair Meyer asked Co-Chair Kelly to work with the PTA in Fairbanks.

10:28:02 AM

ALISON ARIANS, COALITION OF PARENT TEACHER ASSOCIATIONS, ANCHORAGE (via teleconference), spoke in support of an increase of the BSA at a minimum of \$400 and for forward funding by at least three years. She spoke to estimates for high classroom sizes. She was not alone in her concerns. She was unhappy with cuts to teachers and counselors. She testified that all types of individuals were upset by the cuts. She spoke to parents' involvement in the issue. She

spoke to different ways parents were working to be involved. Education was the primary issue for many voters in the current year.

[10:31:43 AM](#)

DAVID BOYLE, ALASKA POLICY FORUM, ANCHORAGE (via teleconference), stressed that the focus should be on educating students, so they can focus on future career endeavors. He stressed that education was a "job program" for students. He remarked that there were many complex issues related to the foundation formula funding for public schools. He stated that the BSA had increased 36 percent, while inflation only increased 27.2 percent, so the BSA had outpaced inflation over the previous decade. In Anchorage, the BSA was \$377 more than needed to keep up with the past ten years of inflation. He remarked that the media did not report that issue. He looked at Sections 30 through 40 of the bill. He felt that there were some questionable programs that might be unconstitutional, and felt that the sections should be included in the bill.

[10:35:37 AM](#)

ERIC CROFT, MEMBER, ANCHORAGE SCHOOL BOARD, ANCHORAGE (via teleconference), testified in support of funding for an increase to the BSA over two years. He stated that the Anchorage School Board and the Anchorage School District had never taken an official position regarding tenure. He personally felt that five-year tenure was a poor idea. He stated that the Anchorage School Board encouraged the school district to have guidelines that supported competitive retention. If the legislature decided to change tenure from three years to five years, the Anchorage School District may decide to keep their tenure requirement at three years, in order to recruit the best possible teachers.

[10:40:02 AM](#)

KATHY TODD, MEMBER, VALDEZ SCHOOL BOARD, VALDEZ (via teleconference), testified in support of increasing the BSA. She addressed some of the aspects of the legislation. She spoke against tax credits for private schools. She felt that funds should not be taken away from public schools. She did not understand how moving public funds to private organizations would enhance education.

10:44:33 AM

RICK KNIAZIEWSKI, VICE-PRESIDENT, KODIAK SCHOOL BOARD, KODIAK (via teleconference), spoke in support of an increase to the BSA. He shared that there had been a 20 percent decrease in teachers in Kodiak, because of a reduction in funds and a reduction in students. He felt that the schools in Kodiak met and exceeded greater requirements that the legislature had continually enacted. He shared that the current funding in the legislation would leave Kodiak with a \$1.16 million deficit, which would result in cutting six teachers, eleven support staff, and about \$200,000 in curriculum and instruction reduction.

Co-Chair Meyer handed the gavel to Co-Chair Kelly.

10:47:50 AM

HANNAH MARX, STUDENT BODY PRESIDENT, JUNEAU DOUGLAS HIGH SCHOOL, JUNEAU, testified in support of increasing the BSA. She remarked that she wanted quality education, and had experienced first-hand the benefits of proper education funding.

10:49:50 AM

ZACH GIANOTTI, STUDENT BODY VICE-PRESIDENT, JUNEAU DOUGLAS HIGH SCHOOL, JUNEAU, echoed the remarks of Ms. Marx.

10:50:20 AM

MARY SAGE, MEMBER, BARROW SCHOOL BOARD, BARROW (via teleconference), testified in support of the change in teacher tenure from three to five years. She spoke in support of the increase to the BSA for three years to assist the school district in budget planning, and to meet the rising cost of inflation. She testified in support of the additional \$30 million outside of the foundation formula. She spoke against the school grading system of A through F, because it created a community feeling of finality, rather than encouraging continuous improvement.

10:52:11 AM

ANDY HOLLEMAN, PRESIDENT, ANCHORAGE EDUCATION ASSOCIATION, ANCHORAGE (via teleconference), echoed the remarks of Mr.

Fuhrer, and the points that he outlined. He stated that there was widespread agreement among the members of the Anchorage Education Association regarding those remarks, and the aspects of the bill. He stressed that teachers faced a fear of unreasonable non-retention during the first three years of employment. He agreed with the testimony of Mr. Boyle. He stressed that a tenured teacher was given grounds to argue the expectations placed on them to conduct non-classroom related activities.

[10:56:00 AM](#)

DAVID NEES, SELF, ANCHORAGE (via teleconference), reported that inflation adjusted numbers were less than the numbers provided. He stated that funds for the BSA that were allocated for teachers. State and local funding was \$11 million. He appreciated the word direct in front of education. He supported the governor's model of the BSA increases.

[10:58:54 AM](#)

KITTY LOGAN, PRINCIPAL, EAGLE RIVER ACADEMY CHARTER SCHOOL, EAGLE RIVER (via teleconference), testified in support of facilities funding for charter schools. She shared that the facilities cost made up 20 percent of Eagle Academy's budget. She encouraged the addition of a mandate that earmarked funds, such as energy money, be directed toward schools. She felt that the money should not be left to the discretion of the sponsoring school. She testified in support of the 4 percent cap on indirect fees, and the right of first refusal on existing district buildings and waiving property tax options would positively impact Eagle Academy currently and in the near future.

Co-Chair Kelly handed the gavel to Co-Chair Meyer.

Vice-Chair Fairclough queried Eagle Academy's rank on the area wide school ranking. Ms. Logan replied that Eagle Academy ranked second in the district.

[11:00:46 AM](#)

BOB KRUMLEY, SUPERINTENDENT, CHUGACH SCHOOL DISTRICT, CHUGACH (via teleconference), encouraged the addition of the residential school stipend into the legislation. He shared that the Chugach School District operated a

successful variable term residential school for eighteen years, without any regular support from the state. He felt that the funding should be the amount of the original request from the year prior. He felt that the funding would enhance the ability for students to be college and career ready. He announced that Alaska needed innovative programs, like technical and vocational training, in order to participate in Alaska's workforce and economy.

[11:05:32 AM](#)

ANDREW HALCRO, PRESIDENT, ANCHORAGE CHAMBER OF COMMERCE, ANCHORAGE (via teleconference), testified in support of strengthening public school outcomes through additional funding for vocational programs. He stressed that local businesses wanted to hire Alaskans. He announced that the Chamber had partnered with a number of different organizations to conduct a statewide learning survey, which was released two months prior. The Chamber wanted to reconcile the business community's view of the condition of the students that were emerging from the Anchorage School District. The Chamber approached the NEA, in order to access teachers' viewpoints. He stressed that the date should draw the discussion, and did not focus on funding for political issues. He stated that the study reflected certain trends that inhibited learning. He shared that student population was becoming more complex; and students who start behind, stay behind.

Co-Chair Meyer appreciated Mr. Halcro's comments, and agreed that there were complex issues that the legislature should consider.

[11:11:40 AM](#)

MIKE COONS, SELF, PALMER (via teleconference), testified in opposition to the \$185 increase in the BSA. He only supported the \$85 increase that the governor proposed. He stated that the governor made it clear that the \$85 increase to the BSA was based on passage of excellent education bills that were more focused on performance rather than spending. He remarked that there were some important bills that were currently being considered in the legislature.

[11:14:03 AM](#)

AT EASE

[11:15:32 AM](#)

RECONVENED

[11:16:43 AM](#)

JERRY COVEY, COOK INLET TRIBAL COUNCIL, ANCHORAGE (via teleconference), testified in support of the addition of the residential school stipend into the legislation. He stated that there were currently over 1000 students attending residential high schools in Alaska. The audit for expenditures in the residential high schools demonstrated that the programs were operating at a deficit. He stated that the programs produced outstanding value for all students, by providing both academic and career and technical education opportunities that students in small high schools were often unable to access.

[11:18:50 AM](#)

CON BUNDY, SELF, ANCHORAGE (via teleconference), testified in opposition to the repeal of the high school exit exam. He felt that the exit exam was important, and shared that he had worked as a legislator to enact the legislation regarding the high school exit exam. He felt that the exam was important for businesses and the community to understand what constitutes a high school diploma.

Co-Chair Meyer agreed that the high school exit exam should be a part of the discussion.

[11:25:10 AM](#)

CHRIS REITAN, SUPERINTENDENT, GALENA CITY SCHOOL DISTRICT, ANCHORAGE (via teleconference), testified in support of funding for room and board for Alaska boarding schools. He echoed the comments of Mr. Covey and Mr. Krumley. He felt that the funding would enhance the ability for students to be college and career ready. He announced that Alaska needed innovative programs, like technical and vocational training, in order to participate in Alaska's workforce and economy.

[11:27:03 AM](#)

ROXY MCDONAGH, SELF, ANCHORAGE (via teleconference), directed her testimony toward the tenure aspect of the

legislation. She felt that changing the tenure requirement to the 5-year tenure made Alaska less competitive in the market for talented teachers. She remarked that most of the western states had 3-year tenure. She stressed that without the reasonable tenure requirement, talented, capable, and good teachers could have their employment terminated for no reason beyond budgetary restrictions. She stressed that those individuals face major financial stresses, and are kept from moving forward with their lives. Therefore, it disrupts the economy. She felt that there were no compelling arguments to make the change in tenure.

11:30:08 AM

DOREN LORENZ, CHAIRMAN, BALTO SCHOOL BOARD, ANCHORAGE (via teleconference), testified in support of Section 29. She felt that the money should not be left to the discretion of the sponsoring school. She testified in support of the 4 percent cap on indirect fees, and the right of first refusal on existing district buildings and waiving property tax options would positively impact Eagle Academy currently and in the near future.

11:32:50 AM

JUAN SAN MIGUEL, PARENT TEACHER ASSOCIATION ALASKA, ANCHORAGE (via teleconference), testified against the A through F grading system. He felt that parent engagement was the most important aspect in school. He felt that the male parents should be involved, because the child would be more successful if the male parent was involved in their education. He shared that the PTA had created a program called "The Schools of Excellence" which allowed improvement, rather than a set grading system.

11:35:20 AM

PAT HIGGINS, MEMBER, ANCHORAGE SCHOOL BOARD, ANCHORAGE (via teleconference), testified in support of the increase to the BSA. He felt that there were some major issues regarding the formula of the BSA. He stressed that there should be a focus on outcomes. He understood that there were continual positive results, and there should be continued growth. He spoke against the change in tenure requirements.

CSHB 278(FIN)am was HEARD and HELD in committee for further consideration.

#

ADJOURNMENT

11:38:52 AM

The meeting was adjourned at 11:38 a.m.