



**AMERICAN ASSOCIATION
OF
EDUCATIONAL SERVICE AGENCIES**

1993-94 ANNUAL REPORT

**AMERICAN ASSOCIATION OF EDUCATIONAL
SERVICE AGENCIES
1801 NORTH MOORE STREET
ARLINGTON, VIRGINIA 22209**

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AAESA---YOUR INVESTMENT IN THE FUTURE!



1801 N. Moore Street
Arlington, VA 22209

December 1, 1994

(703) 875-0734 • FAX (703) 528-2146

To: AAESA Membership
From: Brian Talbott, AAESA President
Subject: Annual AAESA Report

With the issuance of this Annual Report at the AAESA Annual Meeting on December 1, 1994 at the Fall Seminar my term as your President and as an elected Council member draws to a close. The past three years have been exciting and swift as our national ESA organization moved into the 90's. In 1990 our program participation was limited, our membership was not growing, and we were heavily in debt to AASA. Given that scenario the AAESA Council was asking, "do we have major problems or do we have major opportunities."

As you would do with your ESA, the Council assumed its leadership role and responsibility for our most needed national ESA association, and turned to its people, the membership. This action called for your participation and support, the direction and involvement of the Council, and the commitment and expertise of the AAESA staff. Fortunately, I can report to you AAESA has become the growing, responsive, leading national organization that we need, want, and must have to support our regional education efforts.

Our membership over the past three years has grown from 260+ to an anticipated 400+ by the end of this year. This increase is tremendous and we "thank you" but we must continue this effort. Currently, approximately sixty percent of our eligible membership are members and new ESAs are evolving each year as states begin to discover the quality, cost effectiveness and efficiency of regional programs. But we must also remember that we can not just get new members, we must be able to provide the programs and services to meet our members' needs.

Our professional development programs- the PRE-CON, WE-CARE, and the Fall Seminar, have been well presented and received, our national legislative achievements have been outstanding, and our internal communication system is evolving through our regular NEWSLETTERS, AAESA Bulletins, roster and bylaws to keep the membership informed about our programs and to facilitate exchanges between and among agencies.

Today, because of the efforts of AAESA and the individual contributions of each of you, we are a strong and economically viable organization. We cannot become complacent, but must become involved and support AAESA programs and share our expertise and skills with one another. This is the only way we will maintain our strength and establish our ESA role for the future.

In closing, I would refer you to E. Robert Stephens and Walter Turner's AAESA book The Next Millennium: ESAs in the 90's and I believe you will find our efforts are on target and we **will** continue to **grow** through our national association---AAESA! Thank you for three wonderful years!

1993-94 AAESA COUNCIL GOALS

The goals and strategies of the AAESA Executive Council for 1993-94 will be to:

1. Identify/disseminate information about successful agency programs/processes.

Strategies:

- * focus national conferences on successful education service agency programs;
- * establish an electronic AAESA directory to enable member agencies to access program and service information of other members.

2. Improve communications to/from AAESA members.

Strategies:

- * enhance communications network involving all agencies for the dissemination of and response to important issues;
- * report all minutes and results of Council meetings to AAESA agencies;
- * publicize AAESA's legislative and initiative efforts on behalf of its membership;
- * conduct a membership customer satisfactory survey.

3. Increase visibility/influence of AAESA through participation in the national education agenda.

Strategies:

- * identify existing/significant agencies/power groups (i.e. business, legislators, federal executives) to influence the education agenda;
- * develop set of AAESA recommendations for ESEA reauthorization;
- * assist AASA to be a catalyst for change on educational issues;
- * promote interagency collaborations national/locally.

4. Promote concept of regional ESAs.

Strategies:

- * support development of ESAs in states where they don't presently exist;
- * initiate campaign to increase state ESA memberships in AAESA;
- * provide technical assistance to states seeking to reorganize ESA structure.

December 1, 1994



1801 N. Moore Street
Arlington, VA 22209

To: AAESA Membership
From: Lee E. Christiansen (703) 875-0734 • FAX (703) 528-2146
R. Bruce Hunter
Subject: The Executive Directors' Report

As your AAESA Executive Directors, we are pleased to report the 1993-94 AAESA year has continued to provide growth for AAESA and your elected AAESA Council has continued its quest to become the premier organization that is truly committed to serving its membership.

As per its recently revised bylaws, AAESA was, "constituted to create, develop and extend the understanding of and support for the regional system of education...AAESA has become the ESAs national organization designed to improve and extend the capability of ESAs in ensuring quality education and equal opportunity for all learners."

To meet this goal, AAESA works with its membership to provide Professional Development, Legislative Advocacy, Research and Publications, Membership Communication and ESA Advocacy/Technical Assistance. These five areas frame the direction of your organization. As you will note in President Talbott's letter in this report, progress and growth have been made in each area, especially in ESA Advocacy/Technical Assistance.

In the past year, there have been a growing number of inquiries from states with and without ESAs to find out more about regional service education programs as to how they work, how they are funded and what services they provide. At this time we have been able to respond very well to these questions and the membership has been outstanding in providing their assistance when we ask for it. However, we need to update our current information and acquire new and additional data to respond in the future.

The Council has authorized two projects to meet this need. First, AAESA will be conducting a "state level" survey (one per state) to obtain each state's standards and procedures for policy, governance, finance, structure, relationships, etc. and an individual survey for each ESA member agency to provide program information at the region level. This data will then be made available to the AAESA membership for their use in improving their ESA programs and efforts. The second project involves the establishment of an AAESA "Journal" where we can periodically publish articles and research directly related to the mission, goals, establishment, operation, programs and effectiveness of our regional education system. We anticipate both projects to be completed and operational this next year.

We do need to briefly comment on the financial section of this report. Although AAESA continues to have fiscal stability, AAESA did increase its expenditures over revenues in 1993-94 through program expansion, incorporation activities, and the addition of part time staff. However, with the increased returns from this effort in membership and program participation AAESA anticipates revenues to once again exceed expenditures

OVER

in the coming year while maintaining or increasing services to the membership.

There is no question about the need for regional service agencies and it will continue to escalate in every state as limited financial resources drive the need for efficient collaboration. Regional service agency leadership will also assist and enable local districts to more appropriately focus their resources and emphasis on the instructional program as ESA's assume more responsibility for the vital educational support programs.

During this past year the two of us have met with AAESA members from every state and we are continually impressed with the quality, commitment, energy and leadership exhibited by regional agency staff to provide better educational programs for our nation's children. We truly salute you for this effort and if either of us can assist you, please give us a call. We can only become stronger and more effective if we all help each other. Take care.

AAESA PROGRAM REPORT

This year AAESA has provided a number of opportunities for the continuing professional development of its members. The Council has continued to broaden its programs and conferences to include ESA staff and governing boards to enhance regional service agency programs and services. The traditional We-Care (formerly I-Care), the Fall Seminar and the PreCon formed the structure for the membership's participation.

The December 1993 AAESA Fall Seminar in St. Petersburg Beach, Florida increased its attendance from 120 to 180 registrants. With educational regional staff and board members in attendance the program provides opportunities to increase the effectiveness of ESAs through a variety of learning sessions presented by ESA staff members. A new dimension was added by having an AAESA "Summit" on the Wednesday preceding the Seminar in which participants worked to determine future direction for ESAs across the country. The information from the Summit has been analyzed and is being prepared for dissemination to the membership.

In January, AAESA legislative membership met in Arlington, Virginia with AAESA staff to outline a program to further AAESA's role in national legislation. This effort which continued the AAESA definition of service agencies and enabled it to be placed in national legislation passed this last session. This was a first and the membership should take pride in this accomplishment.

The We-CARE Conference, co-sponsored annually with the American Association of School Administrators (AASA), provided opportunities for 250 participants to meet and discuss national legislative matters with legislative leaders.

The PreCon, held prior to the American Association of School Administrators (AASA) annual conference in San Francisco was well attended and focused on technology and the ESAs' role in utilizing the information highway.

AAESA's of its well received book, EXPLODING THE MYTH: Another Round in the Education Debate, by Joseph Schneider and Paul Houston, that presents a comprehensive report on the tremendous successes of public education to dispel the misinformation of the failures of education regularly reported in today's media. This book has become a must for every educator, board member and parent and is available through AAESA.

AAESA initiated two studies to be completed in 1995, one to gather information on the "state-level" operation of ESAs in each state and one to gather program information from each individual ESA. The information will be accumulated for publication as well as electronic access for the membership. The state level information will allow members to keep abreast of what is happening in other states as the role of ESAs continues to expand in providing equitable and quality public education.

This year has been successful for AAESA in that its programs have been well received by the membership. Increased numbers of ESAs are joining AAESA and participating in its programs. Colorado became a state member this year and West Virginia, California, New Jersey and Arkansas have indicated their interest to have state memberships in 1995. The elected AAESA Council continues to work with the membership to provide the outstanding leadership for the Association.

FINANCIAL INFORMATION

The financial summary on page six presents AAESA's unaudited revenues and expenditures for the fiscal year beginning October 1, 1993 and ending September 30, 1994. The figures on the back side of this page present the September 30, 1993 and 1994 (unaudited) Balance Sheets that reflect AAESA's total financial situation.

Please note in the 1993-94 financial summary the expenditures exceeded the revenues by \$40,224. While this ending balance was below the Council's expectations, be assured AAESA remains financial solvent through its previous ending balances and there were several factors that contributed to the situation. Three reasons account for this discrepancy--two in expenditures and one in revenues. In expenditures, AAESA's new agreement with AASA and its incorporation involved additional costs i.e. legal fees, insurance, part time staff, and increased operational costs. Although AAESA's membership effort and the expanded Fall Seminar and Summit resulted in increased attendance, they both necessitated increased costs. However both of these activities should add to future revenues through increased participation.

The issue involving the drop in revenues began when the AAESA staff reviewed the dues program with AASA and determined the billing/invoice/crediting process was not operating as it should and it had resulted in a substantial reduction in membership revenues. Currently, the discrepancy is under further review and will be corrected. It is expected the final figures will substantially reduce the revenue/expenditure difference and the Council has established procedures to ensure proper dues billing and processing in the future.

Meanwhile, as stated above and as reflected in the Financial Statement on 5A, AAESA has remained solvent through its past prudent management. Cash reserves from previous years have made this possible and it is anticipated future years will continue to reflect a positive financial statement for the Association.

In the coming year the Council plans to increase AAESA's financial stability by operating within revenues, establishing further reserves, expanding the membership program in states with less than one hundred percent agency enrollment and increasing participation in conferences and programs.

The Council also plans to extend AAESA membership services for regional service agencies through increased legislative advocacy, additional staffing, technical assistance, research and publications, and communication between and among member agencies.

AAESA FINANCIAL STATEMENT AS OF SEPTEMBER 30,

CURRENT ASSETS	1994	1993
Cash Equivalents	66,105	121,692
Accounts Receivable	4,140	6,916
TOTAL ASSETS	70,245	128,608
CURRENT LIABILITIES		
Accounts Payable	20,108	26,806
Deferred Dues	26,042	34,061
Advanced Registrations	7,600	8,190
TOTAL LIABILITIES	53,750	69,057
FUND BALANCE		
TOTAL FUND BALANCE	16,495	59,550
TOTAL LIABILITIES AND BALANCE	70,245	128,608

*UNAUDITED

AAESA 1993-94 FINANCIAL OPERATION SUMMARY

ADMINISTRATIVE PROGRAM

	<u>REVENUE</u>			<u>EXPENDITURES</u>	
	BUDGET	ACTUAL		BUDGET	ACTUAL
MEMBERSHIP	75,000	70,628	GOODS SOLD	0	1,796
			SALARY/BEN.	6,500	8,708
SALES	10,000	17,448	FEEES	45,000	40,176
			SUPPLIES	3,000	2,984
PUBLIC	0	0	COMMUNICA.	3,500	4,365
			MAIL/SHIP	5,000	5,158
OTHER	4,000	2,303	EQUIP. EXP.	750	0
			PRODUCTION	10,000	9,625
			TRAVEL	35,000	45,242
			MTG./CONF.	3,000	9,635
			DUES/SUBSCR.	1,000	750
			INSURANCE	0	2,550
<u>TOTAL</u>	89,000	90,379	<u>TOTAL</u>	112,750	130,989

EVENTS PROGRAM

	<u>REVENUE</u>			<u>EXPENDITURES</u>	
	BUDGET	ACTUAL		BUDGET	ACTUAL
REGISTRATION			TELEPHONE	0	150
FEES	50,000	51,730	FEEES	8,000	11,294
			SUPPLIES	0	1,683
PUBLIC	3,000	7,650	MAIL/SHP	3,000	1,001
			PRINTING	1,500	4,363
			TRAVEL	6,000	8,678
			MTG/CONF	7,000	31,725
			MARKETING	2,500	0
<u>TOTAL</u>	53,000	59,380	<u>TOTAL</u>	28,000	58,894

GRAND TOTAL---ALL REVENUES AND EXPENDITURES*

	BUDGET	ACTUAL
REVENUES	142,000	149,759
EXPENDITURES	140,750	189,983
BALANCE REMAINING-9/30/93		<u>(40224)*</u>

*UNAUDITED

AAESA AWARD RECIPIENTS

JUSTUS A. PRENTICE MEMORIAL AWARD

Recognizes individuals associated with AAESA for their outstanding contributions to regional education.

<u>YEAR</u>	<u>RECIPIENT</u>
1978 (posthumous)	Justus A. Prentice
1979	Thomas Summerville
1980 (posthumous)	Daniel A. Rohrbach
1981	Robert D. Benton
1982	Urey B. Arnold
1983	William L. Phillis
1984	Ruby Dubois
1984	Ella Mae Gogel
1985	Roy G. Brubacher
1986	Noble J. Gividen
1987	Dwight G. Bode
1988 (posthumous)	Randall T. Lambert
1989	Allan J. Thede
1990	Walter G. Turner
1991	Tom Lawrence
1992	Warren Fudge
1993	Richard Ten Haken

SPECIAL RECOGNITION AWARDS

1983	Herbert Grover
1984	E. Robert Stephens
1985	Mark Shedd
1986	Paul Salmon
1987	Ira A. Larson
1988	Max L. Schlotter
1989	Gretchen Ilgenfritz
1990	Carl Myers
1991	Carl Putnam

WALTER G. TURNER AWARD

Initiated in 1993 to recognize outstanding contributions to regional education programs by community citizens.

1993	Edith Lippert
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E. ROBERT STEPHENS AWARD

Initiated in 1993 to recognize research and publication efforts in regional education programs.

1993	E. Robert Stephens
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**AAESA EXECUTIVE
COUNCIL/STAFF
1993-94**

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(WEST)**

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