

**MINUTES OF THE MEETING
OF THE
ASSEMBLY COMMITTEE ON EDUCATION**

**Seventy-Sixth Session
February 14, 2011**

The Committee on Education was called to order by Chair David P. Bobzien at 3:18 p.m. on Monday, February 14, 2011, in Room 3142 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. The meeting was videoconferenced to Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. Copies of the minutes, including the Agenda ([Exhibit A](#)), the Attendance Roster ([Exhibit B](#)), and other substantive exhibits, are available and on file in the Research Library of the Legislative Counsel Bureau and on the Nevada Legislature's website at www.leg.state.nv.us/76th2011/committees/. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email: publications@lcb.state.nv.us; telephone: 775-684-6835).

COMMITTEE MEMBERS PRESENT:

Assemblyman David P. Bobzien, Chair
Assemblywoman Marilyn Dondero Loop, Vice Chair
Assemblyman Paul Aizley
Assemblyman Elliot T. Anderson
Assemblywoman Olivia Diaz
Assemblywoman Lucy Flores
Assemblyman Ira Hansen
Assemblyman Randy Kirner
Assemblywoman April Mastroluca
Assemblyman Richard McArthur
Assemblyman Harvey J. Munford
Assemblywoman Dina Neal
Assemblyman Lynn D. Stewart
Assemblywoman Melissa Woodbury

COMMITTEE MEMBERS ABSENT:

None

GUEST LEGISLATORS PRESENT:

None

STAFF MEMBERS PRESENT:

Mindy Martini, Committee Policy Analyst
Kristin Roberts, Committee Counsel
Taylor Anderson, Committee Manager
Janel Davis, Committee Secretary
Sharon McCallen, Committee Secretary
Sherwood Howard, Committee Assistant

OTHERS PRESENT:

David Perlman, Administrator, Commission on Postsecondary Education
Michael Hillerby, representing Kaplan College
Clara Andriola, Chair, Commission on Postsecondary Education
Erin Russell, Member, Commission on Postsecondary Education
Keith Rheault, Ph.D., Superintendent of Public Instruction, Department of Education
Carol Crothers, Assistant Deputy, Assessment, Program Accountability, and Curriculum, Department of Education
Christopher Wallace, President, State Board of Education and State Board for Career and Technical Education

Chair Bobzien:

I would like to call the Assembly Committee on Education meeting to order. [Roll was called. Rules and protocol were stated.] We are going to take things a little out of order today because we are juggling some of our presenters with the Senate Committee on Education. With that, I am going to open the hearing on Assembly Bill 40.

Assembly Bill 40: Revises the requirements concerning background investigations of certain applicants for employment or contracts with private postsecondary educational institutions. (BDR 34-442)

David Perlman, Administrator, Commission on Postsecondary Education:

I am in support of A.B. 40. *Nevada Revised Statutes* (NRS) 394.465 requires certain staff members and instructors employed at a private postsecondary school to submit to a background investigation. Part of this process is to have their fingerprints taken and submit those to the Department of Public Safety (DPS).

[Continued to read written testimony from [Exhibit C](#)].

Assemblyman McArthur:

On the last page, line 16, it talks about a "postsecondary educational institution licensed by the Commission." I do not see any other reference to "Commission." Who is doing the licensing?

David Perlman:

Is this on line 14, on the last page? [Assemblyman McArthur agreed and made clear it was paragraph (d).]

Chair Bobzien:

Mr. Perlman, that is your commission, correct?

David Perlman:

Correct. They are talking about the Commission on Postsecondary Education. That paragraph would exempt out-of-state instructors who teach online and do not come into Nevada to teach.

Assemblyman McArthur:

I understand that. I just wanted to know which commission it was and I assume that is yours? [Mr. Perlman verified this was true.]

Chair Bobzien:

Are there other questions?

Assemblyman Stewart:

Has this been implemented in other states and have they had any problems with it?

David Perlman:

There are about a dozen states that require background investigations. This entire NRS 394.465 has been in effect for a long time in Nevada. States that have used this say it has worked well.

Assemblyman Stewart:

We have had some problems in the past with sexual offenders. Is this going to be helpful in eliminating these types of people in your view?

David Perlman:

I think so. Fingerprint results come back before any forms signed by the individual.

Assemblywoman Dondero Loop:

Would you be able to give us some examples of what out-of-state programs might be? When you talk about out-of-state or other venues, specifically distance education referenced on the last page, could you give us additional information on that?

David Perlman:

Are you talking about the type of programs they offer? [Assemblywoman Dondero Loop agreed.] Normally, these are the general education courses that are offered by out-of-state institutions that we license here in the state; their parent companies are in other states, and a lot of those schools have an online component. For example, University of Phoenix has students who are taking courses in Las Vegas or Reno, but they can enroll for online courses as well. We do require that the training be appropriate to online education.

Assemblywoman Dondero Loop:

If this is an online course at University of Nevada, Reno or University of Nevada, Las Vegas, would that person be required to have fingerprinting even though they are not going to be in a "brick-and-mortar" classroom with students?

David Perlman:

If they are in the State of Nevada, they would have to submit to the fingerprinting process and background investigation, but only if they were coming into Nevada. We do only private postsecondary schools.

Assemblywoman Dondero Loop:

Who verifies where they are located geographically?

David Perlman:

We are provided with a list of instructors that is updated annually.

Assemblyman Kirner:

Obviously, this bill draft applies to private postsecondary education, but we do have private K-12 as well. Do they do the same kind of fingerprinting and background investigations?

David Perlman:

If they have not changed the regulation, yes, they do.

Assemblyman Kirner:

Essentially, this is just an extension of what we are doing in the K-12 and private schools, moving it up to postsecondary. Is that correct?

David Perlman:

I believe so.

Chair Bobzien:

I am trying to get an understanding of the scope of this bill. Can you give us a rough idea of how many institutions and instructors we are talking about? I am not looking for specifics; I am just looking to see how widespread this practice would be.

David Perlman:

We probably process about 1,000 to 1,100 instructors per year. We have about 130 schools, and we have about 20 alcohol awareness training programs.

Chair Bobzien:

So this is pretty substantial. Any other questions?

Assemblyman Anderson:

Were there any specific cases that came up that led you to seek this change, or is it something you are doing to clean house and make sure statutes are better presented?

David Perlman:

It actually stemmed from an audit we had done by the Federal Bureau of Investigation (FBI) a year and half ago, where we had no control over the fingerprint cards. When the individual was fingerprinted by law enforcement, the fingerprints were not submitted electronically; the cards were handed back to the applicant. The FBI stated that this was probably not the best practice because the cards could be altered. Their solution is to do it electronically.

Assemblyman Aizley:

Do you have a definition of separated geographically?

David Perlman:

No, sir. I did not actually put that in the bill. That was some of the cleanup by the Legislative Counsel Bureau (LCB).

Chair Bobzien:

Any additional questions? Thank you. We appreciate your testimony.

[Introduced speakers in support of the bill.]

Michael Hillerby, representing Kaplan College:

We wanted to go on record supporting the bill. Thank you very much. I would be happy to answer any questions.

Clara Andriola, Chair, Commission on Postsecondary Education:

I have been involved with the licensing process since 1992. The great news is that the bill before you is administrative cleanup and the thoroughness of the staff who work for the Commission is one to be noted on record as doing an exemplary job for the State of Nevada.

Erin Russell, Member, Commission on Postsecondary Education:

I also serve with Ms. Andriola on the Commission. I just wanted to lend my support as well.

Chair Bobzien:

Any questions? We have Brian O'Callaghan, representing the Las Vegas Metropolitan Police Department (Metro), signed in as neutral and not wishing to speak. Do we have any folks wishing to testify regarding this bill, either for or against, intensely ambivalent, anything? We will likely be bringing this bill back at a future work session. With that, I will close the hearing on A.B. 40.

As noted on the agenda, Dr. Rheault will discuss matters related to the Department of Education.

Keith Rheault, Ph.D., Superintendent of Public Instruction, Department of Education:

We are going to concentrate today on graduation rate. It is probably the most misused number next to per-pupil payments. You will see 50 different numbers out there; we hope to make sense of what we currently do, what is going to happen this fall, when all states switch to a different system, and hopefully comment on some of the other numbers you see floating around out there.

In Nevada, our graduation rate, depending on which report you look at, ranges from 41.8 percent to 71 percent. Hopefully we will clean this up for you. The second piece I would like to go over is *Education Week's* Nevada supplement to "Quality Counts 2011" report ([Exhibit D](#)), which has been published for the last 15 years. In that report, they compare all states. Although there are a lot of reports out there, this is one that people recognize as being fairly consistent.

I would like to show you a few things that came out of this year's report. We are actually worst in the nation, but I want to show you one statistic for which we are number one, in a good way.

[Introduced members present today.]

Carol Crothers, Assistant Deputy, Assessment, Program Accountability, and Curriculum, Department of Education:

Today, I hope to demystify graduation rates for you, but at the same time, help you understand how complicated they are. In reality, as Dr. Rheault indicated earlier, graduation rates are probably one of the most difficult education statistics to come up with. Essentially, if we could follow every single student from the time they entered ninth grade until the time they graduated from high school, we would be able to report an accurate graduation rate. You will discover that is exactly what the new graduation rate does for us. Everything else is simply an estimate, dependent on enrollments and dropout numbers.

On the first page of the "High School Graduation Rate Calculations" document ([Exhibit E](#)), I will introduce the National Center for Education Statistics (NCES) Leaver Rate. This is currently the rate that Nevada reports on the Nevada Report Card; this is what we use as our official rate. It was developed by the NCES around 1998. This is a rate that uses the number of dropouts for a particular cohort of students as the primary basis for the calculations.

I have written the formula in English. It takes all of the diploma recipients and divides them by the diploma recipients plus other completers plus all of the dropouts for that cohort of students since that cohort was in the ninth grade.

There is something I do want to point out to you regarding this rate and all graduation rates. Nevada is able to count students who receive standard high school diplomas, students who are in alternative programs that receive adult diplomas, and students that receive advanced diplomas. However, we are not able to count students who earn adjusted diplomas as graduates. These students are in special education programs and have completed the requirements of their Individualized Education Programs (IEP), but have not completed the requirements for a standard high school diploma. In all of our calculations, those students do not count as graduates. I bring this to your attention because it is important to note those students are not dropouts. There has been an assumption that if you are not a graduate, you are a dropout, and those students certainly are not; we have between 1,000 and 1,300 students every year who earn adjusted diplomas.

Keith Rheault:

I have a couple other comments on the diplomas that we issue. These measure the standard diploma (22.5 credits), the advanced diploma (24.5 credits with additional math and science), and the adult diploma. It is not your standard adult diploma; we do not count all the people that receive this in the state. If the individual is out of high school, these diplomas are not counted. They are counted only if the diploma is earned within the four years that the student is in school and chooses to opt out for the adult diploma. The only difference between the adult diploma and the standard diploma is that there are two fewer credits and they are in physical education. Everything else is identical; you must pass the High School Proficiency Exam (HSPE) at the same level.

In 2009, 71.4 percent of our seniors were graduates. Carol also mentioned that we do not count adjusted diplomas, those issued to the special education students. I believe they are a valid diploma, but the federal government does not. They have met every requirement of their IEP to the letter, and they receive the adjusted diploma for that. I do know many universities and colleges take them as official diplomas, but we cannot count those students as graduates.

In fiscal year 2009, there were 1,319 special education students who received diplomas, or 6.2 percent. We would have been up to about 78 percent if we could have included them, but we did not. We had 1,102 students who received a certificate of attendance that same year. If you are not familiar with that, the certificate is not a diploma. The student has met all the credit requirements for a diploma, but he has not been able to pass one or more sections of the HSPE. That is another 5 percent of students who were in school the last day, who have still not passed the test, and many of them continue to take the test the summer after graduation, and pass.

Those who do not can continue taking the test through the adult education programs. We have many who complete it that way. However, they show up as nongraduates because they did not pass the HSPE within the four years. To give you an indication of the adult diploma, it is a very small piece of the overall graduation picture. In 2009, there were only 100 high school students who received an adult diploma.

Carol Crothers:

I am also going to add that many states do not have differentiated diplomas like we do in Nevada. For the states that do not have differentiated diplomas, all of their diploma recipients are counted in their graduation rate. Since we have a differentiated diploma system, there are different requirements for the students who receive adjusted diplomas; the federal government has prohibited us from

counting those as graduates in our calculations. That is all for the NCES Leaver Rate.

I want to introduce you to the graduation rate that Nevada is moving to, the rate all states in the country are adopting. This is the one rate that is actually an accurate picture of what is happening within the high schools in regard to graduation. An advantage is that it provides a comparable statistic across the country so that we will be assured that Nevada's rates are being compared "apples-to-apples" with other states. It is consistent with the guidelines provided by the National Governors Association (NGA) *Graduation Counts: A Compact on State High School Graduation Rates*. The governors came together and said they would like to have a graduation rate formula that is comparable across all states. They came up with this concept in order to be able to calculate the cohort graduation rate. There has to be a very robust student information system that allows you to look at the status of a student from the time he enters the ninth grade until the time he leaves the system, and that is what our student information system allows us to do. Sometimes you will see the NGA cohort rate called the "Compact Rate." It is essentially the same thing.

We will be reporting this rate for the first time for the graduating class of 2011. Right now, we have some beta statistics. Essentially, school districts are looking at their data to verify the accuracy. We will not be reporting that because this is cleanup time, but the cleanup will help us to provide an accurate rate for the graduating class of 2011. It is basically the percentage of students that enter ninth grade, taking into account students who transfer in and out of the system, and then looking at their status four years later. We will also be able to calculate a graduation rate for those students who take five years, and report this separately, but we will be looking at the four-year graduating cohort essentially.

On the page following the graduation rate description ([Exhibit E](#)), you will see a sample of a printout from our statewide student information system, a system that many of you are familiar with. I have removed the name of the district and student identifications; this is a real, live report that school districts will be using to help validate their data. It provides a picture of what has happened to students who have left the system, and which students have graduated from which school districts. Under the heading entitled "Local Student ID," they can click on a student ID and get additional information on that particular student.

This allows them to really take a look at the status of the student, identify errors, and make sure this is accurate data. You will also notice, on the right-hand side, there is a column for error codes. That is a particular code that is critical to accurate calculations and alerts school districts that they have a student with some inconsistent data that needs to be cleaned up. I put this in here to give you an idea of the robust information that we will be able to take a look at with regard to our students.

Keith Rheault:

Though this is going to be standardized for all 50 states, every state needed this longitudinal data system to know exactly who came into the system four years ago and who was already there. In Nevada, for example, we require the HSPE. I think there are only 26 or 28 states that require some kind of exam. In other states that do not have them, a student who meets the credit requirements is considered a graduate after four years. So, if he sits in a chair for four years and takes the credits, he is considered a graduate because there are no other factors in earning a diploma.

Looking at our first fiscal report this past school year, we had 1,169 of those students that got a certificate of attendance but did not pass the test. Those students would raise the graduation rate in states that do not require a test and make the state look better. I think there are some games played with the special education students. In Nevada, we had the adjusted diploma that worked well, and until the federal government told us what a graduate was, these students would have had a diploma. This is in the thousands every year. Other states that do not have an exam have worked it out; a student gets a diploma for sitting in their seat as a special education student and meeting their IEP.

As we keep getting dragged through the mud with Nevada's numbers, we should consider looking at how other states are using the system to look better. I know we do not have any intentions of doing away with the HSPE, and more states are adding it as the standards are raised. They will eventually catch up to us in that manner. It is an area where we have tried to follow the law. The Leaver Rate was the best rate out there, and the one we currently use. It is close to the new rate, so our revised rate hopefully will be somewhere between 50 and 70 percent. When other states actually have to follow some kind of formula, they are not going to look quite as good as we are. South Carolina's report on their new estimated graduation rate dropped 25 percent from what they reported. They were claiming 89 percent and using the new formula; the real rate is 64 percent.

Chair Bobzien:

You have been a longtime evangelist on this issue. We appreciate your hard work. I believe we do have one question from Mr. Stewart.

Assemblyman Stewart:

I am really disappointed. I thought this was actually going to level the playing field but it seems like it is just digging another hole in the field. In my view, the states that do not have the proficiency tests—and we have four now, going to five possibly—still complain how terrible we are. Yet, we are being compared with states that do not have either proficiency exams or standards for credits. How can we get away from this inequity?

Keith Rheault:

I do not think we will ever get away from it unless they require every state to provide some kind of test based on the academic standards in high school. From what I see, some states are not even looking at it or thinking about it. I do not see the new graduation rate calculation leveling the playing field. All states will be using the same formula which will help and get us closer to our true number.

Assemblyman Stewart:

But it is not the same formula.

Keith Rheault:

It is in that it requires you get a standard diploma for your state. The trouble is that states that require a HSPE—and you are right, we require they pass reading, writing, science, and mathematics—require passing these tests in order to get a diploma.

In the “Quality Counts” report, you will see a 41.8 percent graduation rate for Nevada. They had us listed at 51st, even lower than the District of Columbia. I just want to take a minute to explain how some of these figures get calculated. They use a cumulative progressive index for students. In Nevada, we thought we were doing the right thing when the No Child Left Behind Act (NCLB) came into place. We use the HSPE to measure adequate yearly progress (AYP) to determine the proficiency levels of students in the schools. We noticed that if a student was pushed from ninth grade to tenth grade and they did not have a certain number of credits, most of them were failing the exam or were not doing very well when they first took the exam. We had the State Board of Education pass some regulations that said until a student gets six credits, the student is not considered a tenth grader, and the student cannot take the HSPE until the six credits are received.

At the beginning of the year on count day, all students from the previous year who had not received those six credits show up as ninth graders and then we get the new ninth-grade class. The way they calculate the figures for the "Quality Counts" report is as follows. To arrive at 41.8 percent, they started with the ninth-grade class. In our case, it always included all of the new students plus the carry-overs. Then they used that number to divide the ninth graders into tenth graders. Because we took away some tenth graders, it looked like we lost 45 percent of the tenth-grade class the first year. Then they multiplied tenth by eleventh and so on. This is how they came up with their graduation rate. It kept multiplying year after year looking worse, worse, and worse. That is how they came up with 41.8 percent in this report.

Assemblyman Stewart:

I have a suggestion. Maybe we can have President Wallace, whom I know from past experience and is an excellent writer from my third-period class, write an op-ed to the *Las Vegas Review-Journal* to explain this process. I think one of our problems is that the public's perception of what is really going on is off-base. They do not understand the problems we have; we have much higher standards than a lot of other states. I hate to assign Mr. Wallace this, but I have assigned him many things in the past. Maybe he could do that in his spare time.

Christopher Wallace, President, State Board of Education and State Board for Career and Technical Education:

I would be happy to do that. I cannot believe that you remember it was third period.

Assemblywoman Neal:

I had a question based on what you just mentioned about the calculations. Since there was a miscalculation of how the ninth graders were treated over the period of time, have you tracked their graduation rate? What was the actual graduation rate of the ninth graders who were held back because they were missing a credit?

Keith Rheault:

The upcoming report refers to 2008 or 2009. They are always a couple years behind on dropout and graduation rates. The rate we are reporting that is accurate is the Leaver Rate we had in the first chart for 2009 at 71 percent ([Exhibit E](#)). Using their formula, we are only at 41 percent. There is no way that six out of ten students left in our state do not receive some sort of a diploma. That is what this is saying; only four out of ten get a diploma of some type.

Assemblywoman Neal:

In our rates, and I have looked at the Nevada Report Card and I have customized the search for myself, Native Americans, Hispanics, and African Americans have consistently had the highest dropout rates. It has not changed from 2007 through 2009. Even when you look at the numbers for approaching standards, they are within the 35 to 43 percent range.

If the strategy is that we are holding them back or “dealing” with their instruction, or lack of instruction, how come this number does not change?

Keith Rheault:

When we were trying to explain the formulas, I hope I was not conveying that we do not have a lot of work to do. Nevada does have a low graduation rate, particularly in our ethnic populations: Hispanics, blacks, and Native Americans. Those are probably the three biggest areas we have to work on. There is no “magic bullet” on how we address it other than I think all of the districts are aware of the populations that need the most work.

At the 2009 session I heard a great presentation from Washoe County. They realized that if students did not start the ninth grade successfully, the chances of them dropping out were very high, in the 50 to 60 percent range. What they did was implement a summer program for students that they could predict from the eighth-grade Criterion Referenced Test (CRT) scores were going to have trouble. They made them go to summer school and I think about 80 or 85 percent of those students made it all the way through the ninth grade with all the credits they needed. I think if you start early and keep backing it up, there are good programs out there.

The problem is that there is no money provided by the Legislature for summer school. If the parents do not have the money and the districts do not have the money, then how do you provide the kind of program that we know works? There are a lot of other things we can talk about that can address it specifically; not all of them take additional funding, but some do.

Chair Bobzien:

Thank you. I think this is a great discussion and I think, to Mr. Stewart’s comments about driving to an “apples to apples” comparison, there is a common theme for a lot of what we are doing with these reforms, like common course standards adoption, that moves us closer.

My biggest complaint is that if you do not have the data and you do not know where you are, you cannot compare yourself and you cannot chart a course for improvement. Clearly, while this does not put us in a perfect situation, because 22 states have a proficiency exam, the rest do not. At least we are

coming closer to being able to actually understand where we are, not just in comparison to the other states, but as we lay it out with the Educational Alliance of Washoe County, where we are in our competition with our global neighbors because that is ultimately where we have to be.

Keith Rheault:

I know former Chair Parnell was adamant that we tell the story. When this report comes out, we are going to release it this fall using the new model. This will be a four-year graduation rate for students who started in ninth grade and earned a regular diploma in four years. In the press release I am going to include the fact that 1,300 special education students received adjusted diplomas. We had 1,000 who finished their credits but did not get their diploma in four years. We want people to get the bigger picture, to understand there are not 10,000 students who did not finish anything.

Chair Bobzien:

Would you say that the new Compact Rate better accounts for, or normalizes, if you will, the notorious dynamics we have in the state: the transiency, the special education population, English language learners? Does that come in to play? Is that a fair statement?

Keith Rheault:

It was accounted for, even in our old formula, because if they showed up as dropouts we subtracted them from the base but still used them to figure out the percent. In this case, when new students enter tenth grade, for instance, and are new to the state, we will add them to the roll, and they should have been in the year-before cohort groups, so we will catch them. If they have a legitimate reason for leaving the state to go to another school, we will also be able to remove them. Take all students who were in ninth grade and graduate four years later with a regular diploma, add to those who came in later and subsequently earned diplomas, and subtract out those who legitimately left. It does not get any cleaner than that.

There are still some ways to “play games” with that in some states. For example, in Texas, there have been a few incidents where they are pretty lenient on what they consider a legitimate transfer out to be, and do not report them as a dropout. It is still up to the state to be very clear. We have realigned our regulations; we have very specific dropout and leave categories for our students, and I would put ours up against any in the country.

Assemblyman Aizley:

In Nevada, we take the attendance and head count in September. Is that correct? If 1,000 people leave or move away from Nevada, they are gone, but they are not going to graduate. And this counts against us? Do other states count in September, or do some count in May?

Keith Rheault:

We have only one count day, in September, but it is primarily used for fiscal purposes—to pay the districts the per-pupil payment. We do require and collect average daily attendance for all the schools in the whole state, so we do keep track of that separately for this type of purpose.

Assemblyman Anderson:

Las Vegas has such a transient population. Can we ever really get an adequate measure of our graduation rate in Clark County?

Keith Rheault:

I think this formula will do it. The problem is it depends on when they transfer into the district. I think Clark County has done some studies. I have not seen them recently, and it might have been for younger grades, but they did show that the longer the student was in the district, the better they did on the HSPE.

If there are a lot of transfers in as juniors, you really do not have a lot of control; it is the third year of their school, and you do not know what education they had the two years prior to that. They are still going to be held to graduate as seniors in two years and they are going to show up as non-graduates if they were not prepared properly. I think the transiency rate does affect the graduation rate. If students go to another school that transfer will not matter. It will mostly be a wash because this formula accounts for students coming in and out of the system.

Chair Bobzien:

Do we have any other questions on this graduation rate issue? Keith, did you want to move on to Quality Counts report?

Keith Rheault:

The U.S. chart [page 5 of [Exhibit D](#)] shows that Nevada is behind on the reporting. You see all the states when they started reporting; supposedly you need a longitudinal data system in place that can track a student. We have had ours in place now for four years. We plan to report it this August.

Carol Crothers:

By the time we collect all of the data we need and get it validated with the districts, we will probably be reporting the graduating class of 2011 at the end of 2011 or the beginning of 2012.

Keith Rheault:

That is why we show up as 2012. There are still 15 states on this list that are developing their longitudinal database. How can you have a graduation rate that is predicated on being able to track a student five years ago into the system if they are still developing it? I did look at 14 of those states which are supposedly reporting this already. There are some questions that arise when you use national numbers. Our numbers will be done late this fall.

I will move into the "Quality Counts" report. For the new members who are not familiar, it is an annual report put out by *Education Week*, a national publication. On the second page of the document ([Exhibit D](#)), I gave the summary for the total review of this past year. This came out about three weeks ago. Nevada received a C minus. We did well in some areas and not so well in others. The very first one, "Chance for success," has a very detailed page that includes 13 factors. If a state scores well, and not all factors are education related, they say your students will be successful in their educational endeavors. We ranked 51st and were dead last on the "Chances for success."

The "K-12 achievement" level is based on the National Assessment of Educational Progress (NAEP). Every state is required to take the NAEP in English and math. It is the only national test that can compare how well Nevada students do versus other states. Not every student in Nevada takes the test; it is a sample. For example, the eighth-grade NAEP test is a sample of about 4,000 students in Nevada. They extrapolate and make sure that all students of each population are represented, but they do not test every student in Nevada. There, we rank 39th, and I will have additional comments on that.

The "Transitions and Alignment" was the best area, ranking 22nd among all the states as far as the score. This primarily dealt with whether or not the state had preschool standards. The problem is we have the lowest number of preschool students in the country, and we rank 51st on that, but we have great standards. In addition, we have college readiness standards. The Department of Education and the State Board of Education worked with the Board of Regents and Nevada System of Higher Education to adopt new regulations for college readiness standards this past year. We offer career and technical education; you can get an endorsement on your license in that area. We issue skill standards document they can take with them to their employer. Nevada did well on this section.

Nevada was 48th out of 51 states in "School Finance Analysis." We were 36th in "Standards, Assessments, and Accountability." We did fairly well in the "Teaching Profession." With accountability, they like the fact that we offer incentive for teachers by providing the one-fifth retirement at at-risk schools and hard-to-fill areas.

On the next page [referred to [Exhibit D](#)], if you look at the "Education Funding" number, they list it at \$8,187. For the same year, our actual per-pupil guarantee is \$5,192. This includes all the funding we collect such as capital expenditures, federal funding, and state guaranteed funding. It looks a lot better, although we are still a couple thousand less than the national average. In another part of this report, they do have the actual per-pupil payment that matched ours exactly.

Thirty-five states cut funding this year, and Nevada was one of them. Forty-seven states either cut state staff or changed the compensation policies for state staff; 47 states reduced budgets this way. I had to look up one under "Teacher Employment" [referred to [Exhibit D](#), page 5]. They had a "Yes" under "Teacher tenure." They scan our bills that pass and our statutes—and I am not 100 percent sure how they came up with a "Yes" on that—but I believe it had to do with the state modifying the critical labor shortage statute and allowing school districts to hire retired teachers in hard-to-fill areas. This is a local school district decision.

We were one of 21 states that modified the eligible use of funds. For the new legislators, an example is the state allowing flexibility in textbook purchases. Instead of requiring a fixed amount, they cut that in half, as far as what was required spending. They also allowed flexibility in the class-size reduction program where the number of students was raised per teacher by two. Every district except the very small ones took advantage of that. They did go from a 16-to-1 student/teacher ratio to an 18-to-1 ratio in Grades 1 and 2, and a 21-to-1 ratio in Grade 3.

The next page is "Chance for Success." We rated dead last in the country. There are 13 indicators that are intended to allow states to identify strong and weak links in the residents' educational life course. You will see the early foundations; a lot of these are out of our control but research shows that they have an effect on how well students do educationally. We are doing well with family income, another indicator. If you look at parent education, we are 50th. Families with at least one parent with a postsecondary degree and parents who are fluent English speakers have an impact of how well students do. This is an area in which we are almost dead last and should focus on knowing this is a factor before the student even shows up in the school.

We are dead last in preschool enrollment. If they were including just public school students, that would be easily explained, but they included both public and private preschool numbers for the whole state. We are 41st for kindergarten in enrollment. Using the high school graduation formula where the total ninth-grade population is divided by the tenth grade, we are dead last. I did not see the formula for postsecondary participation, but we do have work to do here because we are one of the lower states with students moving on to some kind of postsecondary education.

There is some good news on the last page. This has to do with the grade we received for the "K-12 Achievement Index." The first column talks about math and reading and the percentage of proficient students. Using NAEP results, this data is comparable across the country. We still have a long way to go; we are 42nd, 43rd, and 46th, which is in the bottom ten states for the area. However, this has picked up in comparison to previous years.

The achievement gains are over the last six years from 2003 to 2009. Nevada is in the top 20 states and we have had gains with all of our students in fourth-and eighth-grade math and reading. We are 15th and 21st, respectively. Students at risk because of poverty receive free and reduced lunch; they usually tend to score lower on the tests. Compared with other states, Nevada's reading gap for fourth grade was ranked eighth. In math, we were the number-one state to reduce the gap between high-poverty students and low-poverty students. If you look over the six-year period, we did just as well [reviewed [Exhibit D](#), last page]. This shows the graduation rate losing another 13 percent. I can tell you that regulation went into effect when NCLB came in two years into their project. We have since modified those regulations to allow the school district the opportunity to determine if that student is ready to move on and take the test. Most of the students earn that sixth credit in the fall semester. The trouble is, we gave the test in the fall semester and they missed out in the tenth grade, so they lost an opportunity.

School districts and the Department of Education have really put a lot of effort into going after grants and helping fund the Advancement Placement programs. We have made great strides in this area, both with the number of students and our success, being 22nd in Advancement Placement opportunities. In fact, there was a press release from ACT just last year. We had more students get 3 or higher on the exam, which is about 60 percent nationally, than we had students taking the test just five years ago. This was good news and it is all due to the hard work of school districts. I think our Hispanic and African American numbers have increased 20 to 30 percent. All of our ethnic group Advanced Placement numbers are increasing.

Chair Bobzien:

Thank you. This was a nice lesson on why graduation rates do not always tell the whole picture. Do we have questions from the Committee?

Assemblywoman Neal:

Could you explain a little bit more about the flexibility that was created within the school district to allow them to delay students taking the test?

Keith Rheault:

The flexibility I was talking about was the regulation preventing a ninth grader from being counted as tenth grader until they earned six credits. We went back to the State Board of Education, for a couple of reasons, and they modified that regulation. The regulation now allows a district to determine if a student is ready to take the HSPE and not judge everything solely on the credits they have earned.

Assemblywoman Neal:

I have been to a couple of schools. I have seen that schools are telling the students to take the HSPE the first time so they can know what the test is. When they take it the second time, hopefully they pass. I disagreed with that behavior because they did not take into consideration the confidence of the child and how failure impacts students.

Keith Rheault:

I would agree because after a student fails it once, then the nerves start hitting the second time around. Students should go into it thinking they are going to pass the test.

You may see this in a bill through the Legislative Committee on Education, but I think there are still a number of statutes in place that allow students the opportunity to leave the system legally. You can earn a GED at age 16; GED recipients are considered dropouts. That is consistent with most states. There are other statutes we looked at previously. Examples include excused attendance for a child 14 years of age or older if the child must support himself or herself, is taking evening classes through distance education, et cetera. We hope to clean up some of these issues this session.

Chair Bobzien:

I think we will see that discussion result from a couple of bills.

Assemblyman Munford:

Has the proficiency test been "dummied" down a little bit because the failure rate was so high that they tried to make it possible for more kids to pass it?

There are alternative programs out there that do not require the HSPE. Are the programs that provide regular diplomas without taking the HSPE still in place?

Keith Rheault:

The last time we adjusted the HSPE was probably seven years ago. [Carol Crothers interjected with adjustments made last spring for math and science.] The tests are getting more difficult, not easier, since the last adjustment. When the U.S. Department of Education looked at our test, we used to have a few eighth-grade questions on the HSPE. We used them to measure how much they learned as a starting point. The U.S. Department of Education made us take them out and so it is ninth- through twelfth-grade standards we are measuring. The test has been getting more difficult and students have been keeping up with it.

The statutes do allow an alternative program. If you fail the HSPE three times and you are a senior, there is an alternative for demonstrating competency. It has not been used widely to get around passing the HSPE. I think we may have 30 or 40 students try it. They end up having to submit three or four different types of writing essays, so it is not much easier than just taking the HSPE. Science is very difficult to present other than taking and passing the test. Lab results and critical thinking skills are also hard to measure. We did have 15 or 20 students try it this last year, and about half of them were awarded a diploma. The other half did not get it through the alternative.

Assemblyman Stewart:

It seems ironic to me that the U.S. Department of Education would require certain standards for our proficiency tests and yet other states do not even require a proficiency test. Does anybody besides me see the irony in that?

Keith Rheault:

We are also required to have a high school test for NCLB and AYP. We use the HSPE for both. In order to gain federal approval to use the HSPE for AYP, we had to adjust our test.

Chair Bobzien:

Are there any other questions? Mr. Wallace, thank you for joining us. Did you have anything to add to the discussion today?

Christopher Wallace:

No. I was here for moral support, and if anybody had any questions.

Chair Bobzien:

Thank you for your testimony. Any public comment?

[Chair Bobzien updated Committee schedule and discussed housekeeping matters with Committee members.]

Meeting adjourned [at 4:29 p.m.].

RESPECTFULLY SUBMITTED:

Janel Davis
Committee Secretary

APPROVED BY:

Assemblyman David P. Bobzien, Chair

DATE: _____

EXHIBITS

Committee Name: Committee on Education

Date: February 14, 2011

Time of Meeting: 3:18 p.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Sign in sheet
A.B. 40	C	David Perlman	Written Testimony
A.B. 40	D	Keith Rheault	Quality Counts Report, 2011
A.B. 40	E	Carol Crothers	High School Graduation Rate Calculations