

**MINUTES OF THE JOINT MEETING  
OF THE  
ASSEMBLY COMMITTEE ON WAYS AND MEANS  
SUBCOMMITTEE ON K-12/HIGHER EDUCATION/CIPS  
AND THE  
SENATE COMMITTEE ON FINANCE  
SUBCOMMITTEE ON K-12/HIGHER EDUCATION/CIPS**

**Seventy-Seventh Session  
April 19, 2013**

The joint meeting of the Assembly Committee on Ways and Means, Subcommittee on K-12/Higher Education/CIPS, and the Senate Committee on Finance, Subcommittee on K-12/Higher Education/CIPS, was called to order by Chair William C. Horne at 8:09 a.m. on Friday, April 19, 2013, in Room 3137 of the Legislative Building, 401 South Carson Street, Carson City, 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 [nelis.leg.state.nv.us/77th2013](http://nelis.leg.state.nv.us/77th2013). In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's Publications Office (email:[publications@lcb.state.nv.us](mailto:publications@lcb.state.nv.us); telephone: 775-684-6835).

**ASSEMBLY COMMITTEE MEMBERS PRESENT:**

Assemblyman William C. Horne, Chair  
Assemblyman Andy Eisen, Vice Chair  
Assemblyman Paul Aizley  
Assemblywoman Maggie Carlton  
Assemblywoman Lucy Flores  
Assemblyman Cresent Hardy  
Assemblyman Pat Hickey  
Assemblyman Randy Kirner

**SENATE COMMITTEE MEMBERS PRESENT:**

Senator Moises (Mo) Denis, Chair  
Senator Debbie Smith  
Senator Michael Roberson



**STAFF MEMBERS PRESENT:**

Cindy Jones, Assembly Fiscal Analyst  
Alex Haartz, Principal Deputy Fiscal Analyst,  
Wayne Thorley, Program Analyst  
Anne Bowen, Committee Secretary  
Janice Wright, Committee Assistant

**EDUCATION**

**DEPARTMENT OF EDUCATION**

**PROFICIENCY TESTING (101-2697)**

**BUDGET PAGE K-12 EDUCATION-57**

Wayne Thorley, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau (LCB), stated the first item on the Subcommittees' work session was the System for Accountability Information in Nevada (SAIN) [in budget account 2697], which was the student data system.

According to Mr. Thorley, since the 1995-1997 biennium, the Legislature had appropriated General Funds totaling \$26.9 million toward the development, operation, and maintenance of a student information data system within the state; however, major components of the system were still not fully functional. The Governor recommended approximately \$2 million for the upcoming biennium, for ongoing maintenance and enhancements to the state's student information system.

Mr. Thorley explained that the student data systems began as the Statewide Management of Automated Records Transfer (SMART) in the late 1990s. However, the SMART system proved to be unworkable because of technical issues and the inability to generate reports required by the federal No Child Left Behind Act that was approved in 2001.

Mr. Thorley continued that in the 2003-2005 biennium, the Department contracted with Otis Educational Systems, Inc. (OtisEd) to develop the current SAIN system, and since that time the Legislature had appropriated approximately \$4.4 million toward the development and operation of the system. In total, the state had appropriated General Funds of \$26,875,782 for both systems and federal funds had been approved in the amount of \$14,250,117 over the life of the SAIN product.

Mr. Thorley said according to a Statewide Longitudinal Data System (SLDS) white paper that was issued by the Department of Education on January 1, 2013, the current SAIN system was unable to exchange data electronically with other state agencies or private institutions, to link students, courses, and teachers together for the purpose of evaluating educator performance, or to provide for an electronic student transcript at all grade levels to be used for student identification or district transfers.

Within decision unit Enhancement (E) 562, the Governor recommended General Funds of \$129,978 over the biennium to build an average daily attendance report. The SAIN system currently collected daily attendance data, but did not use the data to calculate average daily attendance for a report to the school districts. Mr. Thorley said, pursuant to statute, the agency used a count-day enrollment methodology to allocate Distributive School Account funding to the school districts, but anticipated moving toward calculating average daily attendance for the allocation.

The next item, within decision unit E-561, was a unique teacher identification which would be an enhancement to the current SAIN system. Mr. Thorley said the anticipated cost was \$173,314 to install and configure an off-the-shelf unique identifier product. One concern that Fiscal Analysis Division staff identified was that in addition to the \$2 million that the Governor was recommending in General Funds, the Governor was also recommending authorization to spend \$4 million of a federal grant related to the SLDS. Mr. Thorley said the agency had received federal funding for the creation of unique identifiers, and it was not clear to Fiscal Analysis Division staff why General Funds were recommended for the same purpose. The remaining recommendations in the Governor's budget for SAIN were maintenance items.

The Governor recommended \$30,000 in decision unit E-562 in General Funds for vendor support for the Nevada Growth Model, which would input data from the most recent school year and expand the Growth Model to the high school grades.

The Governor recommended \$129,978 in decision unit E-562 to complete the electronic student transcript application and \$150,000 in software platform upgrades.

Mr. Thorley said the Governor also recommended \$173,304 in decision unit E-561 to fix problems with the unique student identification (ID) system.

The SAIN system currently had unique student identifiers; however, the agency indicated a contract was needed to repair problems with the current system and clean up records that had been affected by errors. In some cases IDs were generated in error or duplicate IDs were created.

The Governor also recommended \$219,994 in decision unit E-562 in General Funds for database administration services through the Division of Enterprise Information Technology Services (EITS). Mr. Thorley said the funding would allow the agency to dedicate approximately 1.5 database administrators to the SAIN system.

Mr. Thorley said the Governor, within E-560, recommended General Funds of \$228,680 over the biennium for software upgrades and server license upgrades.

Over the biennium, the Governor recommended \$250,000 in decision unit E-562 to convert to the Common Education Data Standards (CEDS). The agency indicated that since the SAIN system was developed, the U.S. Department of Education had been working with a consortia of states to develop a common set of educational data standards to facilitate exchanging and sharing SLDS data across state lines and within other educational entities. Mr. Thorley said the CEDS was key to allowing the exchange of data between the Department of Education and the Nevada System of Higher Education (NSHE).

The last item concerned developer support from OtisEd. The Governor recommended a contract and General Funds to support a contract of \$374,000 [E-560] for developer support over the biennium. Mr. Thorley said OtisEd was the company that the Department of Education had originally contracted with in the 2000s to develop the same system. The contract would be for ongoing maintenance of the SAIN system and also to facilitate a transfer of knowledge from OtisEd to the Department's information technology (IT) staff. Mr. Thorley said the Department had explained that through the transfer of knowledge, it would be able to provide for the routine maintenance of the system and not depend on the developer of the system to perform maintenance. It was anticipated that the contract amount would be reduced over time as the Department assumed routine maintenance duties.

Mr. Thorley summarized that all Governor's recommendations tallied to \$2,022,656 in General Funds. One of the recommendations was for services

through EITS, but the remainder of the recommendations were for contracts with outside vendors.

In total, the Governor was recommending \$10 million for the SAIN system and the SLDS. Mr. Thorley explained that figure included the \$2 million in BA 2697 that he had reviewed, an additional one-shot of \$4 million in Senate Bill 486 that was currently in Senate Finance for the SLDS, and an additional \$4 million in federal grants.

Mr. Thorley said that given the significant level of funding that the Governor recommended for the upcoming biennium, as well as the significant investment the Legislature had made in the SAIN system in previous years, the Subcommittees might wish to have the agency develop specific deliverables for each maintenance and enhancement item to provide progress reports to the Interim Finance Committee (IFC) as projects were completed. In addition, the Subcommittees might wish to approve direct funding to the Department for select recommendations and then require the agency to report back to the IFC on the status of those projects before additional funding was allocated.

Mr. Thorley noted that the Department of Education had experienced difficulties in the past completing and delivering functional SAIN projects. Therefore, given the concern previously expressed by the Legislature, the Subcommittees might wish to explore the possibility of outsourcing some of the student data system needs to private developers.

Mr. Thorley said staff had developed three options for the Subcommittees to consider. The first option would be to approve the Governor's recommendation to appropriate General Funds of \$2 million over the biennium to support the SAIN system and to require the Department of Education to develop specific deliverables that could be reported periodically to the IFC during the interim.

Option 2 would approve the Governor's recommendation to appropriate General Funds of \$2 million over the biennium for the SAIN system, but instruct the Department of Education to prioritize initiatives that should be funded first and then require the disbursement of the remaining funding contingent upon the successful completion of the initial projects.

Mr. Thorley said the third option would be to appropriate the General Funds to the Department of Education for the SAIN system, but instruct the Department, the interim Legislative Committee on Education, or another entity to evaluate

the possibility of outsourcing some of the state's student data system needs to a private vendor and have those findings reported to the IFC during the 2013-2015 biennium.

Assemblyman Kirner referred to the unique identifier for teachers and students, which seemed to be a duplication with the grant, and said he would like to hear more about how that might be resolved. He also requested more dialog about the statement that the Department had experienced problems with completing and delivering functional SAIN projects.

Chair Horne remarked that he had questions regarding the SAIN enhancements as well.

Rorie Fitzpatrick, Interim Superintendent of Public Instruction, Department of Education, said that she had recently become Interim Superintendent and did not have enough knowledge of the IT systems. She requested that Deputy Superintendent Deborah Cunningham and IT Director Glenn Meyer respond to the IT questions.

Deborah Cunningham, Deputy Superintendent for Business and Support Services, Department of Education, said she would like to point out that the development of the SAIN system was one of the Department's highest priorities because all reforms depended on it. The maintenance and sustaining of the system, as well as keeping up with certain upgrades, were of critical importance. Ms. Cunningham explained there were three different unique identifiers. One unique identifier was the Kindergarten through Grade 12 (K-12) system identifier, which currently existed, but was in need of an upgrade, and the funds requested provided for that. The identifier covered all children in the K-12 system. A second identifier, which also covered K-12 students, was included in the SLDS federal grant connecting the Department with the Nevada System of Higher Education (NSHE) and the Department of Employment, Training and Rehabilitation (DETR). The second identifier would cover everyone in the state, from early childhood through their careers. Ms. Cunningham informed the Subcommittees that there was a third unique identifier for teachers. The Department wanted to connect teachers to students to gauge the achievement gains that teachers yielded in their students, which required a third unique identifier.

Assemblywoman Carlton commented that she had just heard about three unique identifiers which told her they were not all that unique. She said she wanted to know where the overlap was or whether there was an overlap.

Ms. Cunningham said she thought it was clear that teachers needed a different identifier from students, and the state system was not adequate for tracking persons from early childhood into their careers.

Glenn Meyer, Director, Technology and Innovative Programs, Department of Education (NDE), said the unique identifier was the key piece to sharing data with local school districts and using Department databases to identify records belonging to students and teachers. Currently, the Department had two separate databases. One database was used to track teacher licensure, and the teacher license number was the only unique identifier used for teachers. Mr. Meyer said the other database was the SAIN system, which tracked all K-12 students in the state by using a set of state unique identifiers for every student.

Mr. Meyer said the Department needed to connect its K-12 database system with the NSHE database system using its own set of unique identifiers. There was also a need to connect that data with the DETR Nevada Workforce Information System which used a social security number as a unique identifier. Additionally, there were security regulations governing the three agencies, such as the Federal Educational Rights and Privacy Act (FERPA), which applied to the two education agencies. There were also personally identifiable information (PII) and regulations and Social Security Administration (SSA) regulations that were in force at DETR. Mr. Meyer said to securely exchange data records between the three agencies, an identifier was needed that deidentified individuals and allowed the exchange of records. The Department needed a way to bridge the tables to be able to match records between agencies and exchange data. Mr. Meyer said that was the reason the independent identifications existed.

The grant project was meant to create another identifier which would create that bridge between databases. Mr. Meyer said each record that was matched between NDE, NSHE, and DETR would have a new identifier in the hub that allowed the agencies to connect those records without sending the information through the data exchange.

Assemblyman Eisen commented that it was not becoming any clearer to him why a whole new set of identifiers was needed. Assemblyman Eisen said

he understood that both the NDE and NSHE had unique identifiers for students, and he wondered why those numbers could not be shared between the agencies to avoid creating a third number.

Mr. Meyer said the system required a “crosswalk,” to make some type of logical match between the record in the Department’s system and NSHE’s record in its system. That match should be retained, and the third number was the way the system retained the match.

Assemblyman Eisen said he understood about the crosswalk, but did not understand why a third unique identifier was needed: if the NDE had identifier number 100 for a student and NSHE called that student number 500 and in NDE’s system it says student 100 was NSHE 500, then a crosswalk was created without requiring another identifier.

Mr. Meyer said the crosswalk was what was being built: it did not currently exist. The NDE could not electronically exchange identifiers with NSHE, and NSHE could not exchange its identifiers with NDE.

Chair Horne asked why the Department needed General Funds for the creation of the unique teacher identification, when it was receiving federal grant money.

Mr. Meyer explained that the federal funding was not for a teacher identifier, it was to create the hub which would link and connect the NDE, NSHE, and DETR data systems. There was no teacher identifier included in the system.

Assemblyman Kirner inquired about maintenance for the system if the Department received the \$4 million one-shot federal grant to create a hub.

Mr. Meyer said the Department was awaiting the results of a feasibility study, which was one of the first steps of the grant, and expected that study to identify all of the ongoing costs.

Senator Denis referred to the common education data standards (CEDS) and asked how that would link Nevada to other states.

Ms. Cunningham commented that the CEDS were of critical importance to the Department, and it was believed that Nevada students moved to other states and were then counted as dropouts. She said that by having common standards for data and the ability to track students as they went from state to



state, the Department could compile accurate information that would portray Nevada education more accurately.

Mr. Meyer said a consortium of states had developed a common education data standard as well as several tools that allowed states to map their own data into the format. The common education data standard allowed states to exchange data to identify children who left the state, for example, which was a problem in Nevada. There was also language in the grant application that said that Nevada would entertain the idea of using a CEDS format database for an exchange of data with higher education. Mr. Meyer explained that should the Department employ that method and create a CEDS format database to exchange data with higher education, it could also be used to exchange data with other states as well. While CEDS was not in use in every state, there were two consortia nationwide that had just begun and were in the early stages of exchanging data.

Senator Denis asked about creating the database in-house instead of hiring a contractor.

Ms. Cunningham said she believed a combination of in-house and contractor services would be the best course. She explained that in many cases where the Department started with contracts, OtisEd for example, there was a planned transfer of that knowledge to Department staff. OtisEd would be kept for some of the ongoing responsibilities because of the high level of expertise that Department staff was not able to provide. The Department had plans to transfer OtisEd knowledge to staff while still using some of the expertise of the contractor. Ms. Cunningham said it was a balancing act.

Mr. Meyer stated that one of the Department's major daily tasks was an upload received every night from all the school districts in the state. There was a series of administrative tasks and maintenance tasks that had to be performed, but sometimes errors and other problems occurred and those had to be addressed. Mr. Meyer said those types of problems were geared best for NDE staff.

Mr. Meyer said enhancements were required for the system. All of the school districts had local systems, and those systems changed over time, affecting the way the Department collected district data, which required the Department to change its programming to accept those new data elements and add new things to the system. Mr. Meyer said that was when the Department used OtisEd or

other contractors to access data. He believed that was a good example of the mix of Department staffing and contract staff.

Ms. Cunningham said that the Department of Education had access to Southwest Comprehensive Center at WestEd, and one of its jobs was to help state education agencies function more effectively. The Department had asked for a review of the functionality of its IT system with a special focus on working with the school districts.

Chair Horne asked whether the association with WestEd was part of the \$80,000 contract.

Ms. Cunningham replied there was no cost for the study, but WestEd was looking at the specific question about when it was appropriate to use a contract and when it was appropriate to use IT staff.

Ms. Fitzpatrick commented that the Southwest Comprehensive Center at WestEd was part of a federally funded program across the country whereby states were assigned to a given comprehensive center. Nevada was in the region that included Nevada, Utah, and Arizona. Ms. Fitzpatrick said WestEd's services were offered to the Department at no cost and were fully funded through the Education Sciences Reform Act of 2002. It was an opportunity for states to build capacity in targeted areas.

Assemblyman Aizley said he was so frustrated he did not know what questions to ask. It appeared that the Department of Education had been pursuing identifiers for almost ten years, spent \$41 million, and still did not have what was necessary. He asked what would make things better.

Ms. Cunningham replied that data systems and technology changed with the times, and she believed it was important to consider what the system currently was able to do to see what the investment was providing. One of the things included in the system was the adequate yearly progress information that the federal government required for school accountability. She said the Department was changing adequate yearly progress to the Nevada School Performance Framework with a waiver that was approved by the federal government. The system also included student assessment applications that allowed loading of the criterion reference test, the high school proficiency exam, and the career and technical education assessment results. It contained the Department's process for reporting to the federal government about grants,

the Nevada Growth Model, the teacher licensing application, the Nevada find-a-teacher application, the Nevada GEAR UP scholarship administration, Striving Readers project data collection and reporting, the Nevada 4-year cohort graduation rate, and an automated count-day certification of enrollment. Ms. Cunningham said the system had a school-level data security model, so depending on who you were in the system—a teacher, a principal, a superintendent, a school administrator, or Department of Education staff you could access information, but only the information you were allowed to access. The system also included a Common Core information portal with information on Common Core State Standards that were being developed. The system had a collaborative work space where the Department and school districts could share data and information. Finally, it allowed for online training. Ms. Cunningham believed as the state of the art of technology kept changing, the Department would keep improving the system.

Assemblyman Aizley asked what the agency's first priority would be to add to the system.

Mr. Meyer replied that the system could not match data with other agencies, but the hub that was being constructed with the grant would allow the Department to exchange some data with NSHE and with DETR. One of the other things that it did not do was talk to other states, but with the CEDS initiative, the Department could put data in a format that would allow exchange with other states.

Mr. Meyer noted that a third inability with the system was that it did not tie teachers, students, and courses together, and that was the reason the unique identifier was important. The unique identifier was critical to developing the new teacher performance model so the Department could electronically tie teacher performance to student achievement and growth.

Ms. Cunningham also commented that the current database did not provide for an electronic student transcript. The Department wanted to be able to exchange student transcripts through the system so that when a student moved from one school district to another, records could be easily accessed, and the paper process eliminated.

Assemblyman Aizley asked for a reasonable time to expect those things to be accomplished if the Department was given \$10 million.

Mr. Meyer stated the \$4 million in the three-year grant would construct the hub that would allow the Department to begin exchanging data with NSHE and with DETR: the hub would be completed within three years. The other projects being requested in the budget would all be completed within the biennium. However, most of the budget items related to maintenance and other ongoing expenses would appear again in the next biennium.

Ms. Fitzpatrick commented that while she did not know a lot about data systems, she knew about accountability and had heard a Fiscal Analysis Division staff recommendation that one of the ways the Subcommittees could approach the situation would be to make the Department prove its way forward.

Assemblyman Eisen commented that it sounded as though representatives from the Department of Education were as frustrated as the Subcommittees, and while he did not choose to harp on the shortcomings of the system, he was struck that even the internal system of student IDs did not function. He said student IDs should have been a fundamental piece of any system and hoped the vendor was being held accountable for a system that was reliable and workable. The Subcommittees had an idea of the different projects that needed to be done, but no clear idea of the overall plan. Assemblyman Eisen said the Department needed to formulate a precise plan and present a timetable representing when the different projects would be completed.

Ms. Cunningham stated that she could provide a detailed list of the projects that the Department was attempting to accomplish in the biennium and the dates by which those projects would be finished.

Senator Smith said she believed that connections between students and teachers were very important, and without the identifiers, there would not be any progress. She said that she wanted a connection from professional development to teacher to student, and it was necessary to move in that direction. While she believed the funding was critically important, she had concerns because of previous experiences and suggested that Fiscal Analysis Division staff work with the Department to prepare an explicit timeline and benchmarks.

Mr. Thorley said he believed Fiscal Analysis Division staff had enough information to develop some closing recommendations and would work with the Department of Education to have them develop a master plan, timelines, and deliverables by the closing.

Chair Horne asked for further questions and seeing none requested the presentation for the Office of Teacher Licensure.

**EDUCATION**  
**DEPARTMENT OF EDUCATION**  
**TEACHER EDUCATION AND LICENSING (101-2705)**  
**BUDGET PAGE K-12 EDUCATION-64**

Wayne Thorley, Program Analyst, Fiscal Analysis Division, Legislative Counsel Bureau, stated the Office of Teacher Licensure was in budget account (BA) 2705, and was responsible for determining teacher eligibility for licensure, approving and issuing licenses for teachers and other education personnel, and maintaining a competency program for educational personnel. At the February Subcommittees' joint budget hearing, numerous questions and concerns were raised regarding the Office of Teacher Licensure, including the staffing allocations between Las Vegas and Carson City, the hours of operation and customer support, and the handling of personal information of applicants.

Mr. Thorley said he would briefly review each of the concerns that were raised by the Subcommittees and incorporate some of the responses that had been received from the Department of Education.

Referring to staffing, Mr. Thorley stated that there were 15 positions assigned to the Office of Teacher Licensure, with 13 positions located in Las Vegas and 2 positions in Carson City. The office had recently been reorganized in an effort to improve customer service and improve the consistency of the application review process. As part of the reorganization, the Office of Teacher Licensure issued all final licenses from the Las Vegas office, which resulted in the transfer of the majority of teacher licensure personnel positions to that office.

Mr. Thorley said the Department stated that both the Las Vegas office and the Carson City office offered support for teacher licensure applicants; however, the Carson City office currently functioned only as an intake operation. While there was no teacher licensure analyst assigned to the Carson City office, secretarial staff was assigned to assist walk-ins and answer telephones.

According to Mr. Thorley, there was concern at the Subcommittee hearing regarding the availability of help at the Carson City Office of Teacher Licensure. There had been reports of applicants visiting the office during business hours

only to find the door closed and no one available to help them. In response, the Department indicated that staffing assignments at the Carson City office had been adjusted to ensure full coverage from 8 a.m. to 5 p.m. during each business day, including coverage during the lunch hour. The agency had informed Fiscal Analysis Division staff that the Las Vegas office had extended its hours of operation by a half hour on each end of the day. The office was now open at 7:30 a.m. and remained open until 5:30 p.m.

Another concern from the Subcommittees was in regard to the telephones and when the telephones were answered. Mr. Thorley said the Subcommittees wanted to know why the telephones were answered for only 3.5 hours in the afternoon, between 1 p.m. and 4:30 p.m. The agency had responded that in the past a preference had been toward answering telephones in the afternoon so that analysts could have uninterrupted time during the morning to concentrate on teacher licensing issues. However, in response to the concerns raised by the Subcommittees, the agency indicated that it was in the process of changing the hours that the phones were answered to coincide with business hours, including the lunch hour.

Mr. Thorley said another problem with the telephones concerned voice mail. There had been reports to the Subcommittees that the voice mail message was not very helpful. Mr. Thorley said he called both offices and listened to the voice mail, which had been updated at both offices. The messages at both offices provided information about the hours and location of the office, and the web address and email address of the Office of Teacher Licensure. The agency also planned to develop a program that would allow teacher licensure applicants to schedule phone appointments.

Mr. Thorley said there were other customer support issues that had been addressed by the agency, such as the redesigned teacher licensure website. The agency had assigned a specific staff member to each school district to increase communication and outreach. The Office of Teacher Licensure now provided expedited service for renewal and substitute licenses, which were issued within 48 hours. Also, new hires with an offer of employment received service within 72 hours.

According to Mr. Thorley, one item of concern that had not been addressed was the availability of an online application. Currently, those wishing to apply for teacher licensure could not do so online.

The last issue that was brought up by the Subcommittees concerned the security of personal information. Mr. Thorley reminded the Subcommittees that at the February joint meeting of the Subcommittees there was discussion about fingerprint cards: all teacher licensure applicants were required to submit fingerprint cards for a background check. There had been fingerprint cards that had been temporarily misplaced in a locked room in the Las Vegas office, which delayed the processing of approximately 150 applicants by about 60 days. The agency noted that the problem had been resolved, and the applications had been processed for all applicants affected by the delay. However, Mr. Thorley noted that the delay in the fingerprint processing could have led to the temporary employment of a teacher who might have otherwise been flagged as "do not license" had the fingerprints been processed on time. Mr. Thorley acknowledged there was no indication that had occurred, but there was a security risk.

Another security concern regarded the transmittal of licensure applications from the Carson City office to the Las Vegas office. As Mr. Thorley mentioned, all applications were processed in the Las Vegas office; however, the Carson City office was available to receive applications. Those applications were then sent to the Las Vegas office for processing. There were some concerns about the security of the processes used to send that information to the Las Vegas office. Mr. Thorley explained that the teacher licensure applications contained social security numbers, and there was also an administrative fee submitted by the applicants, so there was some associated risk. The agency indicated that it was in the process of moving toward an electronic records system that would expedite the file interchange between the two offices and improve the security of the interchange of information.

In a memo, recently provided by the Department of Education, it was stated that during the interim the Department would be using the consultant services of WestEd to examine office management and procedures within the Office of Teacher Licensure to determine what could be done to improve customer service and the secure transmittal of information. The agency indicated that the consultant would generate a report of recommendations that might be adopted to increase productivity while maintaining the necessary quality controls to ensure that licenses were issued in accordance with regulations and statutes.

Mr. Thorley noted that the Legislative Counsel Bureau's Audit Division would begin an audit on the Department of Education sometime during the summer of 2013, which was part of the Audit Division's regular audit schedule.

One option for the Subcommittees to consider would be the submittal of a letter to the Legislative Auditor asking the Audit Division to focus on the Office of Teacher Licensure within the scope of its Department of Education audit.

Mr. Thorley said there was one budget item within The Executive Budget which related to the Office of Teacher Licensure that might be of interest to the Subcommittees. The Governor recommended the transfer of an administrative assistant position from the Office of Teacher Licensure to the Education Staffing Services account (BA 2719) to allow the position to split time between the Office of Teacher Licensure and other offices in the Department of Education. Mr. Thorley noted that there did not appear to be sufficient justification for the transfer considering all the concerns that had been raised regarding the Office of Teacher Licensure. It appeared that duties of the position should remain focused entirely on the teacher license activities rather than split time between the Office of Teacher Licensure and the Department in general. Additionally, because the Department had moved the processing of teacher licensure applications entirely to the Las Vegas office, the Subcommittees might wish to suggest to the Department that it consider moving a teacher licensing analyst position from Las Vegas back to the Carson City office. The position would be able to assist secretarial staff that was currently in the Carson City office with the intake of applications and also have the expertise to respond to specific questions.

Mr. Thorley said there were two options to consider regarding the budget. The first option would be to approve the Governor's recommendation to fund half of the salary and associated costs with the administrative assistant position and to split the duties between the Office of Teacher Licensure and the Department's other functions [Education Staffing Services account]. The recommendation required the addition of General Funds of \$23,042 in fiscal year (FY) 2014 and \$24,649 in FY 2015; however, it would also result in net savings in the Teacher Education and Licensing account of \$59,847 over the biennium.

The second option would be to not approve the Governor's recommendation in decision unit Enhancement (E) 904. Mr. Thorley said the administrative assistant position would remain entirely within the Office of Teacher Licensure and would also result in General Fund savings because the position would no longer be funded as recommended by the Governor from the Education Staffing Services account. Option 2 would result in General Fund savings of \$23,042 in FY 2014 and \$24,649 in FY 2015.



Mr. Thorley referred to the additional options, and said option 3 concerned the audit from the LCB Audit Division with the letter to the Legislative Auditor, and option 4 was a recommendation to the Department to consider the possibility of moving a teacher licensure analyst position back to the Carson City office.

Chair Horne pointed out that the Office of Teacher Licensure provided terrible customer service, had a software program that was capable of doing simple, online applications, but was not set up, and a Governor's recommendation to split the time of an employee who was only working half-time.

Rorie Fitzpatrick, Interim Superintendent of Public Instruction, Department of Education, commented that she agreed with Chair Horne, and it was an unfortunate situation, but she believed it would get better. A number of changes had been made in the Department, particularly within the last year. For instance, a year ago it had taken eight months to issue a new license and currently it took a month. She said while a month was too long for a new applicant, it was better than eight months, and was an indication that improvements had been prioritized.

Ms. Fitzpatrick noted that within the past three weeks a number of changes regarding the customer service and availability had been enacted. The work of staff in the Carson City office had been adjusted, and a full-time employee was available to assist with customers.

Ms. Fitzpatrick said the Office of Teacher Licensure was in the process of shifting toward a telephone system of appointments. An employee would be available to answer frequently asked questions and to direct customers to web-based information for assistance. Should customers need more individualized support, they could, at the time of the first call, make a telephone appointment with a licensure analyst who could provide them with timely immediate assistance to answer their specific questions. Ms. Fitzpatrick said the service would be available within the next eight weeks. The service should also mean that customers in Ely would be receiving the same service as customers in Las Vegas.

Ms. Fitzpatrick said one of the suggestions she expected from the study to be performed during the summer was a recommendation that the Office of Teacher Licensure move to a digital system for fingerprinting. She believed that would enable the Office to install an online application intake process and receive money electronically. Ms. Fitzpatrick commented that while there were many

problems, improvements had been made, and the Department was committed to making more improvements.

With regard to the transfer of the position in decision unit E-904, Ms. Fitzpatrick said that was a concept introduced under a prior administration. She said after dialog with Fiscal Analysis Division staff, she believed it was not an appropriate move to make and wanted to retain that position in Las Vegas, dedicated 100 percent to teacher licensure.

Assemblywoman Flores wondered whether there was an appropriate number of employees to process teacher applications in a secure and effective matter or whether the Office of Licensure needed more staff.

Ms. Fitzpatrick replied that that the staffing level was probably not sufficient at the time; however, changes that could be made in digital fingerprinting and the receipt of online applications would free up time used for processing paper documents. She said the Department might have to consider whether licensure fees were sufficient to pay for needed services. Currently, the Office of Teacher Licensure was largely funded through a fee-based structure. A licensure candidate paid the fee which helped pay the staff members who then processed the license. Ms. Fitzpatrick said that system was not typical for the generation of any professional license. She assumed one of the outcomes from the study would determine whether the fee should be raised to ensure a sufficient level of staffing.

In response to a question from Assemblywoman Flores, Ms. Fitzpatrick said the Department staff realized there was improvement to be made, and should the Department be directed by a letter of intent to report outcomes and corrections, it would do so.

Senator Smith asked whether the Department had an estimate for when online applications might become available.

Ms. Fitzpatrick replied that she did not have an anticipated date for the generation of an online process. She said her best hope was that all of the problems with the Office of Teacher Licensure would be resolved no later than mid-fall.

Senator Smith commented that providing good customer service to the public was very important, and the bad reports that circulated about this situation

made it difficult when the Legislature was attempting to do more for education and for the Department of Education. Senator Smith said she personally believed that until the online application process was in place, the Carson City office should have an employee who could look at an application and point out missing elements. It was Senator Smith's opinion that all the movement between offices created a large delay, resulting in a delay in an applicant's potential livelihood.

Senator Smith said the other comment she had was about the study and the consultant, and she admitted she was not in favor of subjecting every problem to a study. She considered the problems in the Office of Teacher Licensure a management issue even though she understood that WestEd was on contract with the Department, and the study was not costing anything extra. Senator Smith asked whether it was true that the supervisory position for the Office was vacant.

Ms. Fitzpatrick acknowledged the supervisory position for the Office of Teacher Licensure was vacant after the retirement of the supervisor in June 2012. A new supervisor was recruited, began service in late summer, and left the position in January 2013. Because of prior concerns with budgeting and fiscal administration, there were some shortfalls in that budget account; therefore, a decision was made to recruit and hire the new supervisor with a start date of July 1, 2013. Ms. Fitzpatrick said the Department was currently working with the Division of Human Resource Management to undertake the requisite recruitment and selection processes, so that a new supervisor could begin on working on July 1, 2013. One of the reasons for waiting until July to begin the work with WestEd was so that the new supervisor would have an opportunity to learn the inner workings of the system.

Senator Smith stated she understood and appreciated Ms. Fitzpatrick's explanation, but what she could not understand was the logic of not having a supervisor in an office where there were so many problems. She remarked that she was looking forward to seeing the plan and trying to get the Office of Teacher Licensure back on track, because it was a multifaceted problem that had to be addressed.

In response to a question from Assemblyman Hickey regarding working with the school districts, Ms. Fitzpatrick said historically, there had been sort of "a tug of war" between the Department and districts. She believed some of what had to be done was cleaning up the licensure regulations because they had become so

convoluted the average human being could not understand them. Ms. Fitzpatrick said licensure regulations should have a basic, understandable checklist.

Chair Horne stated that from the dialog heard from the Subcommittees it appeared that options for consideration might be option 2, and both option 3 and option 4 with a letter of intent, as advised by Ms. Fitzpatrick, to go along with option 4. He said that was the direction that would be provided to Fiscal Analysis Division staff.

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Chair Horne called for public comment and seeing none adjourned the meeting at 9:42 a.m.

RESPECTFULLY SUBMITTED:

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Anne Bowen  
Committee Secretary

APPROVED BY:

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Assemblyman William C. Horne, Chair

DATE: \_\_\_\_\_

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Senator Moises (Mo) Denis, Chair

DATE: \_\_\_\_\_

**EXHIBITS**

**Committee Name:** Subcommittee on K-12/Higher Education/CIPS

**Date:** April 19, 2013

**Time of Meeting:** 8:09 a.m.

Bill	Exhibit	Witness / Agency	Description
	A		Agenda
	B		Attendance Roster