

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

**Seventy-Eighth Session
April 24, 2015**

The meeting of the Subcommittees on K-12/Higher Education/CIPS of the Senate Committee on Finance and the Assembly Committee on Ways and Means was called to order by Chair Ben Kieckhefer at 8:10 a.m. on Friday, April 24, 2015, in Room 3137 of the Legislative Building, Carson City, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

SENATE SUBCOMMITTEE MEMBERS PRESENT:

Senator Ben Kieckhefer, Chair
Senator Michael Roberson
Senator Debbie Smith

ASSEMBLY SUBCOMMITTEE MEMBERS PRESENT:

Assemblyman Pat Hickey, Chair
Assemblyman Derek Armstrong, Vice Chair
Assemblyman D. Paul Anderson
Assemblywoman Teresa Benitez-Thompson
Assemblywoman Marilyn K. Kirkpatrick
Assemblyman Randy Kirner
Assemblyman James Oscarson
Assemblywoman Heidi Swank

GUEST LEGISLATORS PRESENT:

Senator Joyce Woodhouse, Senatorial District No. 5

STAFF MEMBERS PRESENT:

Mark Krmpotic, Senate Fiscal Analyst
Cindy Jones, Assembly Fiscal Analyst
Julie Waller, Senior Program Analyst
Andrea McCalla, Program Analyst

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Emily Cervi, Committee Assistant
Trish O'Flinn, Committee Secretary

OTHERS PRESENT:

Dale Erquiaga, Superintendent of Public Instruction, Department of Education
Lindsay Anderson, Washoe County School District
Joyce Haldeman, Clark County School District

Chair Kieckhefer:

Today's meeting is a work session regarding the kindergarten through Grade 12 (K-12) budgets. These are primarily enhancements that are part of the broader education agenda presented by Governor Brian Sandoval. The next step for many of these items will be closing the budgets. Today is an opportunity to raise concerns and ask questions before the budgets are presented for a vote.

Julie Waller (Senior Program Analyst):

The first item is the funding increase and transition to a weighted-student funding for students with disabilities in the Distributive School Account (DSA), budget account (B/A) 101-2610.

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NDE - Distributive School Account — Budget Page K-12 EDUCATION-18
(Volume I)
Budget Account 101-2610

The Governor's budget recommends increased spending of \$25 million in fiscal year (FY) 2017 to begin transitioning to a weighted-student funding model for students with disabilities. This would bring the total State funding for students with disabilities to \$168 million in FY 2017. The Department of Education (NDE) testified during the budget hearing that the \$25 million would achieve a weight of approximately 0.5 above the base and would begin an increase in weighted-student funding over each year of subsequent biennia until a weight of 2, twice the per-pupil base funding, is achieved for students with disabilities.

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This funding methodology was recommended by the Task Force on K-12 Education Funding as a result of a study conducted during the 2013-2014 interim.

Since the budget hearing, Senate Bill (S.B.) 508 was rereferred without recommendation from the Senate Committee on Education to the Senate Committee on Finance. Among other things, S.B. 508 would implement the proposed changes to the funding model for students with disabilities. Section 29 of S.B. 508 directs the NDE to calculate the amount of funding for each pupil with a disability for FY 2017 and report the multiplier to the State Board of Education (SBE), the Interim Finance Committee (IFC) and the Governor. The bill does not indicate, however, that the multiplier must be approved by any of the aforementioned parties.

SENATE BILL 508: Provides for long-term modernization of the Nevada Plan.
(BDR 34-1184)

Additionally, subsection 2 of section 29 of S.B. 508 requires the weighted funding provided to each school district for students with disabilities must not exceed 13 percent of total pupil enrollment for the school district. Further, subsection 4 of section 29 provides a hold harmless provision that a school district may not receive less funding under the weighted funding model for students with disabilities than a school district received in FY 2016 under the unit funding methodology. In FY 2016, the unit methodology would continue. The Executive Budget recommends 3,049 units at a price of \$45,398 per unit. If the transition to weighted funding is not approved, the unit funding for FY 2017 would be approximately \$55,083 per unit for 3,049 units.

The decision to be made by the Subcommittees is whether to approve a \$25 million General Fund appropriation in FY 2017 to begin transitioning to a weighted-student funding model for students with disabilities.

Chair Kieckhefer:

Can you outline the responsibilities of the State versus the school districts in terms of the hold harmless provision for special education?

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Ms. Waller

Maintenance of effort (MOE) requirements are in the federal Individuals with Disabilities Education Act (IDEA). The MOE is calculated at both the State and local level. At the State level, the State education agency must provide no less than the prior year funding level. At the local level, the local education agency must expend the same amount of local funds, or State and local funds, for students with disabilities that were spent in the previous year, either on an aggregate or per capita basis. A school district or charter school would be penalized for not meeting the MOE due to any reduction of local and State funds supporting costs for students with disabilities. I am not as familiar with the local MOE, but I believe there are exceptions the local education agencies can apply for in certain circumstances such as a high-cost student moving out of the district. Approval of these modifications resides with the federal government.

Senator Smith:

Has the NDE updated the implementation of this plan?

Ms. Waller:

We have not received a formal plan, but the information to be included in the plan, in part, is in S.B. 508. One of the recommendations of the Task Force was to include the stakeholders to work through the hold harmless and MOE issues.

Assemblyman Kirner:

Is this item asking for \$25 million in FY 2017 only?

Ms. Waller:

Yes, that is correct. Enhancement unit E-299 requests \$25 million. There is some increased funding for the 2 percent rollup in FY 2016, but the significant funding is in FY 2017.

E-299 Educated and Healthy Citizenry — Page K-12 EDUCATION-21

Assemblyman Kirner:

What is the basis of the request for increased funding?

Ms. Waller:

The Task Force focused on students with disabilities, at-risk students and English Language Learners (ELL). Regarding special education, the current funding model is based on practices from the 1970s when special needs students were isolated in their own classrooms and the unit methodology paid for a classroom teacher. But, the model of instruction has changed and those students are now mainstreamed and the unit methodology is insufficient. The Task Force recommended the State modify, or update, the funding methodology for students with disabilities. The unit funding has not kept up with the cost of a teacher's salary and benefits. Therefore, the school districts and charter schools must transfer a significant amount of money from their general fund into the special education fund to cover the remaining cost of a teacher and all other special education costs that are not funded through the unit methodology. The Governor's budget accomplishes two goals: the move toward updating the funding methodology for students with disabilities, and the move to funding special education students more appropriately.

Chair Kieckhefer:

Is there any indication that the local funding will remain constant, or will the State funding replace local funding?

Ms. Waller:

That will be a decision for each local school district. This money would be distributed on a per-pupil basis, adjusted for MOE and hold harmless considerations. It would be up to each district to determine if they would continue to make those transfers from their general fund into the special education fund, or if the State funding would provide relief from the necessity to do so.

Chair Kieckhefer:

Is it possible the additional appropriation from the State would buy the same level of service rather than an increased level of service?

Ms. Waller:

Yes, that is a possibility.

Chair Hickey:

The Special Education Contingency account includes an appropriation of \$5 million which would be available to all schools, including charter schools. One of the criticisms more traditional schools have of charter schools is that the charter schools have not accommodated special needs children in ways the traditional public schools must. Is the intention of the contingency fund to broaden the capacity of charter schools to accommodate those students?

Ms. Waller:

Prior to the State Public Charter School Authority (SPCSA) being formed, charter schools were not eligible to receive federal IDEA funding for students with disabilities. Part of the limitation in accommodating special needs children was related to this ineligibility for federal funding. Starting in 2013, the SPCSA was deemed a local education agency and could therefore receive federal grants. Charter schools now receive federal IDEA funding, and have applied for some of the discretionary unit funding from the State.

NDE - School Remediation Trust Fund — Budget Page K-12 EDUCATION-32
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Budget Account 101-2615

The Executive Budget proposes a \$5 million General Fund appropriation in FY 2017 in decision unit E-277 to establish a Special Education Contingency Account to reimburse school districts and charter schools for extraordinary expenses related to the education of students with disabilities. The Task Force recommended the creation of a contingency account, but did not recommend a specific funding level. The NDE indicates that regulations concerning the qualifications and guidelines for reimbursement will be established in FY 2016.

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Senate Bill 508 would also create the Contingency Account and defines extraordinary expenses as those which are:

- Not ordinarily present in the typical special education delivery system at a public school.
- Associated with the implementation of the individualized education program (IEP) of a pupil with significant disabilities, as defined by the

SBE, to provide an appropriate education in the least restrictive environment.

- Costs of which exceed the total funding available to the school district or charter school for the pupil.

At this time, it is unclear how funding distributed from the Contingency Account would impact the MOE provisions of the federal IDEA. The MOE is calculated at both the State and local level. At the State level, the State education agency must budget, in aggregate, no less than the prior year funding level. At the local level, the local education agency must expend the same amount of local funds, or State and local funds, for students with disabilities that were spent the previous fiscal year, either on an aggregate or per capita basis. A school district or charter school would be penalized for not meeting MOE due to any reduction of local and State funds supporting costs for students with disabilities.

The decision to be made by the Subcommittees is whether to approve a \$5 million General Fund appropriation in FY 2017 to establish a Special Education Contingency Account to reimburse school districts and charter schools for extraordinary expenses related to the education of students with disabilities.

Assemblywoman Benitez-Thompson:

Currently, the funding for special education supports is restricted to full-time professionals, and is not available to pay for aides or assistants. With the change of the funding structure, will the same limitations remain?

Ms. Waller:

Through the modification of the funding model for students with disabilities, the funds will be eligible to be used at the school district's discretion to pay for expenses for students with disabilities. The guidelines currently outlined in statute will be replaced, partially, by S.B. 508. Much like the per-pupil funding for the general education student, the local school districts or charter schools will determine the needs and how to best expend the funds.

Assemblywoman Benitez-Thompson:

Once the money is at the local level, there will not be the same constraints. There will be flexibility in how the funds are expended.

Chair Kieckhefer:

It is designed to meet the needs of the specific student, which will vary.

The Task Force recommended achieving a 2 weighted-funding level for students with disabilities. This additional \$25 million brings the weight to 1.5. To understand the funding commitment that will be required in future biennia, what is the long-term cost of a 2 weighted-funding level?

Ms. Waller:

The per-pupil funding level in Nevada is not the base costs provided to the school districts. It is developed through the funding mechanism. The base per-pupil funding to which the multiplier would be applied will change depending on the funding composition of the school districts and the State. The Task Force recommended that the special education funds remain separate from the general education funds, although they will be distributed on a per-pupil weighted funding methodology. The \$25 million achieves an additional 0.5 weight, but there are other variables, including the number of special education students. The total funding will be limited to 13 percent of the total population of a school district. The amount of money required to reach the 2 weighted-funding level is not easily calculated. The Fiscal Analysis Division could work on determining that information prior to closing the budget.

Assemblywoman Benitez-Thompson:

In previous testimony, the Subcommittees learned the State has just over 52,000 special needs students. Will the Contingency Funds be disbursed based on an aggregate of student needs or specialized programs for individual students? What will be given higher priority?

Ms. Waller:

The Contingency Account will distribute funds on a case-by-case basis. As the NDE develops the guidelines and reimbursement requirements, it will become clearer how funds will be allocated. The Contingency Account will be structured to assist the districts and charter schools with a student who has extraordinary expenses. The regular IEP costs will be funded through the weighted-student funding model and the federal IDEA funds. The Contingency Account is envisioned to assist with prohibitive costs that would impact the schools' ability to accommodate the student. The IEP requirements are not optional. The

establishment of this account ensures the services are provided without bankrupting the school district or charter school.

Chair Kieckhefer:

The Subcommittees will receive further information about the MOE and the implementation plan before the budget closing. The next item is the increased funding for ELL.

Ms. Waller:

For the 2015-2017 biennium, the Executive Budget includes a major budget initiative to expand the Zoom School program, created by the passage of S.B. No. 504 in the 77th Session. The Governor recommends additional General Fund appropriations in decision unit E-275 of B/A 101-2615 of \$25 million in each year of the biennium to increase the number of Zoom Schools in the Clark County School District (CCSD) and the Washoe County School District (WCSD) from 24 to 48 in FY 2016. This would bring the total funding for Zoom Schools and ELL students to \$50 million in each fiscal year.

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Senate Bill 405, as amended, expands the allowable uses of the funding for Zoom Schools to include professional development, family engagement and recruitment and retention incentives. The bill, as amended, requires the SBE to prescribe a list of recruitment and retention incentives to offer to teachers and other licensed educational personnel for the school districts and the SPCSA that receive ELL funding from the State.

SENATE BILL 405 (1st Reprint): Expands the program of Zoom schools and the provision of programs and services to children who are limited English proficient in certain other schools. (BDR S-887)

Additionally, subsection 6 of section 1 of the measure requires the Board of Trustees of the CCSD to identify at least three middle, junior or high schools to operate as Zoom Schools, and the WCSD Board of Trustees to identify at least one middle, junior or high school to operate as a Zoom School. Targeted services for the middle, junior and high school Zoom Schools would include:

- Reduce class sizes for ELL students and provide English language literacy-based classes.
- Provide direct instructional intervention to each ELL student using assessment data of that pupil.
- Provide for an extended school day.
- Provide, free of charge, intersession or summer academy, including transportation.
- Professional development.
- Offer recruitment and retention incentives.
- Family engagement.
- Other evidence-based programs and services approved by the Department that are designed to meet the specific needs of ELL pupils enrolled in the schools.

Preliminary estimates developed by the CCSD for expansion of the Zoom School program into the middle and high school level indicated each middle school would cost \$1 million and each high school would cost \$1.5 million to implement.

Subsection 14 of section 1 of S.B. 405 requires an independent evaluation of the effectiveness of the programs and services offered by each Zoom School and the programs and services offered by the other school districts and charter schools from the monies appropriated in the budget. The bill, as amended, also requires any unexpended funding in the first year to be carried forward to the second year of the 2015-2017 biennium, and unexpended funding at the end of the biennium must revert to the State General Fund.

The population of ELL students in FY 2014 in Clark County was 76.6 percent; in Washoe County it was 15 percent; and the non-Zoom School districts and the SPCSA totaled 8.7 percent.

The decision to be made by the Subcommittees will be whether to approve additional General Fund appropriations of \$25 million in each year of the 2015-2017 biennium to expand the number of Zoom Schools in the CCSD and the WCSD and to increase funding for ELL programs and services offered by the other school districts and charter schools.

Chair Hickey:

What was learned in the original implementation of the Zoom Schools over the last biennium that will make the expansion easier or better? Are there things that will be done differently based on previous experience?

Dale Erquiaga (Superintendent of Public Instruction, Department of Education):

The first lesson is that the prescribed list of allowable services was too narrow. In a wise effort to target the use of the funds appropriated in 2013, the list of allowable services was kept small. The new legislation expands this list of services based on the experiences over the last 2 years. Professional development, family engagement and transportation funding for intersession and summer academies are key to providing support for the students. Having a limited list is necessary, but, as we learn more about the needs of the students and the program, it is important to incorporate best practices that were not previously identified. The second lesson is that the focus on literacy and the acquisition of academic language are both the key activity and the key outcome.

More work is necessary to establish measures and outcomes for these programs at the outset. This was not done with the first phase of the Zoom School program. The initial assessments of the program were necessarily based on the districts' tools since statewide assessments do not begin until the third grade. Comparing results from district to district is complicated by the multiple assessment tools. Defining goals and expected outcomes will aid in creating tools to assess all students in the program throughout the State. Additionally, an outside evaluation has been added to S.B. 405.

Finally, there is a need to expand to middle and high schools. There is an assumption that some of these children have just moved here and do not have academic English, or any English. While this is sometimes true, many of these students have been in the Nevada school system for many years and have been passed forward. They are now even further behind, and they must be taught differently.

The Zoom School program has been successful. It is not only the right thing to do from a moral perspective, it is critical to address the achievement gaps in the State. While this initiative increases the number of schools and expands the State's financial commitment, it is only the beginning of a progressive

movement toward a weighted formula. The current efforts are funding in a categorical based on a whole-school model. We can calculate the number of students at the school to derive the current weights, but the Task Force set a target weight of 1.5. As the program moves forward, and data is collected about costs, the NDE can more accurately predict the costs and equate them with outcomes.

Assemblywoman Kirkpatrick:

Clark County spent extra money on the Zoom Schools. How much did they spend and what was it spent on? I am concerned about the expansion of the program without knowing the total investment.

Mr. Erquiaga:

The districts probably derived those dollars from federal Title I of the Elementary and Secondary Education Act funding which can be used for family engagement purposes. Federal Title III of the Higher Education Act of 1965 money is extremely limited in Nevada, but those funds can also be used for family engagement purposes. I do not know how much money CCSD spent, but the NDE answered the question for the Fiscal Analysis Division of the Legislative Counsel Bureau.

Ms. Waller:

The information reported by the NDE is that CCSD spent about \$130,000. That seems low. I would defer to the school districts to share that information.

Assemblywoman Bustamante-Thompson:

Will the Zoom School funding be set up as grants?

Mr. Erquiaga:

Yes, the funds will be granted to the districts in the same way they were distributed in 2013. The districts identify schools; each school is funded with an allocation. Senate Bill 405 designates an amount for both the CCSD and WCSD based on the ELL student population in those Districts. The amount for Zoom grants for rural school districts and the SPCSA will also be based on their share of student population.

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Assemblywoman Bustamante-Thompson:

Does S.B. 405 designate what percentage of the funds can be used for each component?

Mr. Erquiaga:

The bill spells out no percentages: it is a block grant, and the allocation of funds is left to the discretion of the districts.

Ms. Waller:

The CCSD spent \$47,000 on professional development and \$91,000 on parental and family engagement programs. The WCSD spent \$50,000 on professional development and \$80,000 on parental and family development.

Senator Smith:

What is the plan for determining recruitment and retention incentives?

Mr. Erquiaga:

There is no delineation in S.B. 405. It requires the NDE to provide advice. Nevada has participated in the 2013 Education Commission of the States white paper development on ELL. The goal is to provide best practices for districts. Recruitment and retention are pressing needs. Many of the Zoom Schools have long-term substitute teachers or new teachers as a result of the State's ongoing teacher shortage. Many stakeholders have asked that the districts and schools be allowed to use some of the funding for teacher incentives.

Senator Smith:

I do not disagree, but, over several Legislative Sessions, the need for teacher incentives has been raised repeatedly. What is the plan for family engagement?

Mr. Erquiaga:

The NDE's role is to provide funding. The districts can better describe what has worked.

Lindsay Anderson (Washoe County School District):

The approach taken in the WCSD is based on the needs of the individual school. Each of these schools already has a parent involvement facilitator. The Zoom School funding has enabled us to expand the existing programs. Some of

the Zoom schools are very small while some are among the largest elementary schools in the district. There is no model specific to "Zoom Family Engagement."

Joyce Haldeman (Clark County School District):

All the Clark County Zoom Schools received Title I funding before they were Zoom Schools. Title I requires a certain amount of money be spent on family engagement. The CCSD also has robust professional development and worked with the existing staff in the schools. Due to federal regulations for Title I schools, the District supplemented the Zoom School funds with General Fund appropriations. The amounts cited earlier by Ms. Waller are correct.

The Superintendent of CCSD has created a new department to oversee the family engagement programs. It is called the Family and Community Engagement Services (FACES); the CCSD is catching up with WCSD. The FACES Department is expanding our ability to deliver programs previously limited to a few selected schools receiving Title I funding. Family Engagement Centers are housed in double-wide portables, with computer access available to parents as well as teachers and students. The parents are able to search for jobs, use educational software to learn English, and participate in guided parenting programs.

Assemblyman Oscarson:

As the NDE proceeds, ensure that the rural school districts fully understand what funds and services are available so they can participate in these programs. While the number of students is smaller, the needs are as great.

Assemblywoman Kirkpatrick:

It appears the CCSD spent approximately \$3,000 per school. How much of the additional funding was Title I money? Many schools are designated Title I schools, but many of them do not receive services because the highest need schools are served first. If additional revenue is given to the Zoom Schools, does that mean some of the Title I dollars can go to the other schools? I thought the Governor's Budget included additional professional development funding. Will all schools compete for these funds? Does this continue to benefit only the highest need schools that are already receiving additional funding?

Mr. Erquiaga:

You are correct, the Executive Budget includes about \$4.9 million of new funding in each year of the biennium, a portion of which is for professional development. The intent is to fund some topical areas, such as next generation science standards, across the spectrum. There may also be programs identified by the Board that are specific to schools that are not being served. Providing targeted funding for particular items such as the Zoom Schools and Victory Schools ensures that the other money is available to those schools not served by these programs.

Assemblywoman Kirkpatrick:

The Zoom School funding has been doubled to \$50 million. Will the expansion serve the same number of schools, or fewer?

Mr. Erquiaga:

The direction from the Governor was to double the size of the program. The simple math was to double the funding. However, two factors impact that calculation. Middle and high schools are more expensive to serve. The number of schools, therefore, is not doubled. Another directive from the Governor, in another budget, was to complete the expansion of full-day kindergarten (FDK) to all schools. Zoom Schools are required to offer FDK. At the end of the biennium, when all schools will have implemented FDK, money becomes available in the Zoom School category for expansion into more schools. The number of schools will double by the end of the biennium.

Assemblywoman Kirkpatrick:

Full-day kindergarten is not mandated across the State. Does that require schools to offer both half-day and full-day kindergarten?

Mr. Erquiaga:

At a Zoom School, FDK is required to be provided. Students are not required to attend. The districts will have to answer the question about whether half-day alternatives are offered, or if students are allowed to leave in the middle of the school day. Because kindergarten attendance is not compulsory, as the full-day option becomes universal, the districts will have to address parental requests for half-day options.

Ms. Haldeman:

The CCSD has had discussions about how to handle this issue. It has never come up at any of the Zoom Schools, or any of the schools in the District. To add to the previous discussion about funding, all schools in the CCSD that became Zoom Schools were Title I schools previously. As such, they already had FDK.

Assemblyman Kirner:

Expanding the Zoom School program into the middle and high schools involves more remedial work than the preparatory work that can be done in the earlier grades. Is this focus on remedial work part of the reason it is more expensive at the higher grade levels? Should the money be invested at that level, or should it be focused at the elementary level?

Mr. Erquiaga:

No. We cannot say to students and their parents, "You are over the age of 9 so you will not graduate because the State does not have money." Yes, these students have been in the State's school system for a long time and are still not performing adequately. But, some are newly arrived and that is a different challenge. There are also more children in each middle and high school which is a factor in the cost per school. The types of interventions are also more expensive. Extending the school day is one option. Special teachers or programs for the ELL student are other options.

Chair Kieckhefer:

The goal is to ultimately have a weight of 1.5 applied to ELL students across the board. To achieve that, infrastructure is being built for a specific program. Would you prefer to have the Legislature appropriate the money for a 1.5 weight and put it into the DSA?

Ms. Haldeman:

We love the Zoom program. It is a winning formula. Eventually, the weighted formula will be the answer, but now, the targeted programs are working. Regarding the question about whether the expansion into the higher grades is the right step, we cannot just give up on these children and hope their children have better outcomes. Through the creation of special programs such as intensive, small-group instruction periods either before or after school, these ELL

students attain the goal of becoming fully literate in English. That is the goal of the program as well as the goal for the students and their families. It is an expensive strategy. The independent evaluation will be a useful tool for the districts. We are confident with the results at the lower grades, but we want to ensure the program is a success at the middle and high schools.

Ms. Anderson:

I agree with the previous testifiers. While the focus is currently on the categorical programs, it is important going forward that success is not penalized. Giving the Zoom Schools resources, only to revoke them as they become successful and no longer qualify as Zoom Schools, cannot be the long-term strategy. Eventually, using the weighted formula, the money will flow to meet the students where they are, rather than targeting specific schools.

Assemblywoman Kirkpatrick:

By expanding the professional development funding into the Zoom Schools, is there a risk of spreading the money too thin? What are the professional development strategies for these schools?

Ms. Anderson:

In the WCSD, the Zoom professional development money would be specifically for the staff to learn about ELL needs and techniques. These teachers would still be required to meet the broader professional development requirements.

Assemblywoman Kirkpatrick:

The benefit of that plan is multifaceted. Even if the teacher moved to another school, he or she would take the training with him or her to a new assignment.

Ms. Anderson:

I do not know if there is a per-pupil evaluation cost yet. I can get this information to the Subcommittees.

Ms. Haldeman:

One reason the CCSD decided to supplement the Zoom School funding with non-Title I funding was we did not want to disadvantage the other Title I schools.

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Assemblywoman Benitez-Thompson:

There is a series of reports required by S.B. 405: the school districts report to the NDE and then the independent reports will be due, all of which are then reported to the Legislative Committee on Education. Has the NDE determined the dates these reports will be due?

Mr. Erquiaga:

Senate Bill 405 was amended to require some of the reports and the outside evaluation be delivered before beginning to build the next budget. I do not have the bill in front of me, so I do not remember the dates. The intention is to have the full year's report and at least some of the outside evaluation completed before the next budget is built. If the Governor requests the program be doubled again, or shifted to a weighted-funding model, we will have data available to support the request.

Assemblywoman Benitez-Thompson:

To clarify, one set of reports is due in June 2016 and the next set, due in January 2017, will be an aggregate of the past year and a half funding, not merely the 6 months prior to the Legislative Session.

Mr. Erquiaga:

That is correct.

Senator Smith:

Will the professional development be delivered on-site, or will it be a bigger program?

Ms. Anderson:

I do not know. The Zoom Schools professional development paid for with WCSD monies was conducted using a literacy specialist on-site.

Ms. Haldeman:

We have done both.

Assemblywoman Benitez-Thompson:

Regarding the Legislative Audit, is the intent to capture the amount of money used on professional development and how it was allocated?

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Mr. Erquiaga:

That is how the reports were written for the initial phase of the program. The Legislative Auditor language was part of the original bill; it just has not been used.

Chair Kieckhefer:

Let us move to the Victory School Program.

Ms. Waller:

In decision unit E-276 in B/A 101-2615, the Executive Budget recommends General Fund appropriations of \$24.9 million in FY 2016 and \$25 million in FY 2017 to fund at least 33 schools that would be known as Victory Schools. The NDE states the program would support underperforming elementary, middle and high schools identified as one or two star schools in the highest poverty ZIP codes of a school district and is anticipated to be structured similarly to the Zoom School program. Preliminary details provided by the NDE indicate that Clark, Elko, Humboldt, Nye and Washoe County School Districts would have eligible schools for this new grant program.

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The intent of the Victory School program is to fund each school as a 1.20 or a 1.25 student weight and no cap is contemplated. Schools eligible for, or served by, Title I grant funds would also be eligible to apply for Victory School grant funds. Senate Bill 432 would implement the Victory School initiative.

SENATE BILL 432 (1st Reprint): Makes an appropriation to be distributed to certain public schools designated as Victory schools. (BDR S-1187)

The amended bill requires:

- The Department to designate each Victory School for FY 2016 on or before June 1, 2015.
- The amount of funding to be distributed per pupil attending a Victory School must be calculated by dividing the legislatively approved appropriation by the total number of pupils who are enrolled in Victory Schools statewide.

- The board of trustees of each school district or the governing body of each charter school that is designated as a Victory School to conduct an assessment of the needs of pupils that attend the school. The assessment must include soliciting input from the community served by the Victory School.
- On or before August 15, 2015, the board of trustees of each school district or the governing body of each charter school designated as a Victory School must submit to the NDE a comprehensive plan for meeting the educational needs of pupils enrolled in each Victory School.
- An independent evaluation of the effectiveness of the programs and services offered by each Victory School, which must include consideration of the achievement of pupils who have participated in and have received such services from Victory School programs. Additionally, when completed, the evaluation must be provided to the Department and the Legislative Committee on Education.
- The SBE must require a Victory School to take corrective action if pupil achievement and school performance are unsatisfactory, as determined by the State Board. If the unsatisfactory achievement and school performance continue, the State Board may direct the Department to withhold any additional money that would otherwise be distributed to the underperforming Victory School.

Subsections 8 and 9 of section 2 of S.B. 432, as amended, outline the eligible uses of the Victory School funding as:

- A prekindergarten program free of charge, if such a program is not funded by another grant.
- An expansion of FDK classes, not otherwise funded through a legislative appropriation.
- A summer academy or other learning opportunities for pupils free of charge at times when school is not in session.
- Professional development for teachers and other educational personnel;
- Provide programs to recruit and retain highly effective teachers and other educational personnel.
- Provide evidence-based social, psychological or health care services to pupils and their families, including wrap-around services.
- Family engagement.

- Provide programs and services designed to improve school climate and culture.
- Provide evidence-based programs and services specifically designed to meet the needs of pupils who attend the school, as determined using the assessment of needs conducted by the board of trustees or the governing board of each charter school.
- Any combination thereof.

The amended bill also provides that unexpended funding in the first year must be carried forward to the second year of the biennium, and unexpended funding at the end of the 2015-2017 biennium must revert to the General Fund.

The decision to be made is whether to approve the General Fund appropriations of \$24.9 million in FY 2016 and \$25 million in FY 2017 to fund at least 33 schools that would be known as Victory Schools.

Chair Hickey:

Is there a risk of double-funding if those schools already designated as eligible for Title I funding are able to apply for these grants?

Ms. Waller:

There are many schools designated as Title I eligible based on economic status and other factors. However, the federal funding provided to support those schools is not sufficient to fund them all. Many Title I-designated schools do not receive additional funding to provide extra services. The Governor's budget attempts to implement some of the recommendations from the two interim studies regarding the State's funding formula for K-12 education to target services to specific student populations. Although a school currently receiving Title I funding could theoretically receive further monies from the Victory School grant program, it expands the breadth of services to additional schools not currently receiving Title I funding.

Chair Kieckhefer:

Does S.B. 432 require designation of schools by June 1, 2015?

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Ms. Waller:

Yes, that is correct. If this funding is approved, these programs could begin with the 2015-2016 school year, rather than midyear.

Chair Kieckhefer:

Is there a formal assessment tool for the schools to identify the student needs?

Ms. Waller:

The bill does not specify a particular assessment. I do not know if the NDE will be providing guidance to the districts on a template to use, or components that should be included in an assessment. That might be something to be discussed at a bill hearing.

Ms. Anderson:

The WCSD has been notified of the schools that would be eligible for designation as a Victory School. One of the schools has the highest concentration of children in transition, or homeless children. The immediate need for these students is likely more time at school with high quality instruction. The other school identified is a rural school with a Native-American population. Those needs would be quite different.

Chair Kieckhefer:

Who would perform the assessment?

Ms. Anderson:

As in the Zoom School model, the district office would cooperate with the principal and the school-based staff to complete the assessment.

Ms. Haldeman:

Although the students at schools identified as Victory Schools speak English, they do not speak academic English. The intense, small-group instruction strategies used in Zoom Schools would also be applicable at the Victory Schools to help the students attain the correct vocabulary and read and speak fluently in academic language.

Assemblywoman Kirkpatrick:

How will the wrap-around services be implemented? The challenges for these children include hunger, lack of clothing and homelessness or unstable living situations. I am concerned that implementing the program in 33 schools with different poverty situations, different needs, will be difficult.

Ms. Haldeman:

The Zoom School program was easier to implement because it was a prescribed program with identified standards to meet. The Victory Schools will require more personalization. A more prescriptive program would not be easier to implement because of the differences among the schools and their needs. Urban poverty and rural poverty present different needs. The inclusion of wrap-around services is essential to address the needs of these students, not only food and clothing, but emotional support as well.

Assemblywoman Kirkpatrick:

I have spoken with some of the families in these communities, and they welcome the resources. I am concerned that the funding will be stretched too far to meet the goal of implementing the program in 33 schools. Would it be more effective to focus on 10 or 15 schools and ensure all the resources are available at those schools? I do not know how quickly wrap-around services can be started at many of these schools. With these children, providing breakfast, lunch and dinner could help them sleep well at night so they are prepared for school the next day. Additional time at school for students who are homeless, or nearly homeless, to help them complete homework is important. I do not want to create expectations we cannot meet; anything we can do for these poverty schools is a lot. I am concerned the bill is too broad. Children will thrive if given the right tools, and they have a reason to come back to school. They need to have their immunizations, their clothes, and food to foster their will to fight.

Ms. Haldeman:

The lesson learned from the Zoom bill language is that it was too narrow. The menu of options in S.B. 432 allows the principal to make decisions on a site-by-site basis about what is important for the students at each school.

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Assemblywoman Kirkpatrick:

My recommendation is, as plans are formulated, that the schools do not try to do a little bit of everything. I believe that will set the children up for failure.

Senator Smith:

How will community organizations such as Communities in Schools and Save the Children continue to fit into the plan?

Ms. Haldeman:

In the CCSD there is already a process in place whereby Communities in Schools works directly with the schools and bids for services. The Victory School program allows them to participate on a broader basis.

Ms. Anderson:

The Communities in Schools program is new to the WCSD, but I believe they are already in partnership with the urban elementary school that has been identified as a Victory School. I do not know how that would work in a more rural setting. The district does not have the internal staff to provide wrap-around services, so community partnerships will be essential.

Assemblywoman Kirkpatrick:

When would the funds be distributed to the schools? If the funds are not distributed until October or November, the schools will not have a complete year to report on the program.

Ms. Waller:

The distribution methodology of calculating the approved funding and dividing it by the projected total enrollment of the designated Victory Schools will shorten the time frame to provide the funding to the schools. The goal is to identify the schools in early June so distribution of funds can begin almost immediately after the beginning of the fiscal year in July.

Assemblywoman Benitez-Thompson:

Is this a grant process?

Ms. Waller:

No, it is designated funding.

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Chair Kieckhefer:

We will move on to the FDK program.

Ms. Waller:

Another major budget initiative in the Executive Budget is the recommended expansion of the State-funded FDK program to all school district kindergartens by FY 2017 at a student-to-teacher ratio of 21:1 in decision unit E-287. The Governor also proposes funding for charter schools to implement FDK in all schools by FY 2017 in decision unit E-292. Decision unit E-293 requests \$10 million to assist school districts with the purchase of portable classrooms. The NDE has provided information indicating the funding would support an additional 213 teachers in FY 2016 and 216 teachers in FY 2017. There are 28 charter schools offering kindergarten and all of them are anticipated to be funded for FDK, but the number of schools to be funded in each fiscal year of the biennium was not provided.

E-287 Educated and Healthy Citizenry — Page K-12 EDUCATION-34

E-292 Educated and Healthy Citizenry — Page K-12 EDUCATION-34

E-293 Educated and Healthy Citizenry — Page K-12 EDUCATION-35

The proposal to expand the FDK program to all schools by FY 2017 would not be mandatory and schools would continue to be able to choose whether to operate some half-day kindergarten programs. The NDE has distributed a survey to districts to determine how many half-day programs would be operated, but the results of that survey have not been received. Without this information, it is unclear whether the Governor's budget overfunds the FDK major budget initiative in FY 2017.

The decision to be made is whether to approve General Fund appropriations totaling \$27 million in FY 2016 and \$47.4 million in FY 2017 to fund the expansion of the State-funded FDK program to all school district kindergartens by FY 2017 at a student-to-teacher ratio of 21:1 and to provide funding for charter schools to implement FDK in all schools by FY 2017 and assist districts with the purchase of portable classrooms.

Chair Kieckhefer:

Do the districts plan to allow schools to offer half-day kindergarten?

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Ms. Haldeman:

So far, the CCSD has not been asked to offer a half-day program where FDK is in place. Because kindergarten attendance is not mandatory, the districts may have to offer half-day programs if the interest level is high enough. We currently offer a "Pay for K" program and the waitlist grows every year. The half-day kindergarten could be offered as a regional choice as the "Pay for K" program is now. Colleagues in other states have indicated that the concerns expressed by parents as the program was started never materialized once FDK began. The CCSD is ready to address the issue when and if it comes up on a school-by-school basis.

Chair Kieckhefer:

When will this decision be made?

Ms. Haldeman:

As soon as possible. The CCSD has more parents requesting FDK than we are able to provide.

Ms. Anderson:

Most schools in WCSD offer FDK and demand is very high. There are schools that offer both full- and half-day kindergarten. At schools where there is not enough space available for both, the curriculum has been structured to accommodate those students who attend only in the morning. I do not think the demand for half-day kindergarten will be particularly strong. As in the CCSD, we will address it as it arises.

Assemblyman Kirner:

If we acknowledge that kindergarten is valuable, why not make it mandatory?

Ms. Haldeman:

It is a political decision. There will be a lot of constituents who will protest that decision. The curriculum and the expectations placed on kindergartners supports the need for a longer instructional day, especially for those children living in poverty whose families do not have the resources to provide alternatives.

Assemblywoman Kirkpatrick:

How will the schools be chosen for implementation over the 2 fiscal years? The press will report "Kindergarten for Everyone" and parents will want to know why their child's school is not offering FDK. There will be the same drama that occurred with the tuition-based FDK. How will the message be disseminated?

Ms. Haldeman:

This is a concern to the CCSD. One of the reasons the total expansion of FDK is so important is there is a small minority of schools that do not yet offer the program. If we partially fund it this year, we have not yet identified the criteria to be used for that selection. Of the 215 elementary schools, 174 currently have FDK for a total of 902 classrooms, and 14 have half-day kindergarten. The remaining 27 schools have 78 half-day classrooms and an additional 49 tuition-based classrooms. It would seem logical to fund the 14 schools that only have half-day kindergarten programs first, but that leaves 27 schools whose FDK programs are only available to parents who can afford to pay for it. Conversely, if we offer FDK at the 27 schools with a mix of programs, the 14 schools left out will be those in neighborhoods that cannot afford "Pay for K," or where the schools do not have enough classroom space. There may be legal ramifications if it is not provided for all students.

Senator Smith:

The "Pay for K" program has no statutory authorization. We have debated mandatory kindergarten in the Legislature and it has not been acted upon.

Chair Kieckhefer:

Is the funding for portables necessary? Could the districts use roll-over bond funding to pay for these. Capital funding has traditionally been a district responsibility.

Ms. Haldeman:

Thank you for the facility funding for FDK. The CCSD could not have implemented the program without the ability to purchase the portable classrooms. I agree, for the CCSD, the roll-over bond and the immediate infusion of dollars it provides is the district's responsibility.

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Ms. Anderson:

All but three of the schools in the WCSD offer FDK. Space is an issue for these schools. The roll-over bond will not provide enough funding to build additional classrooms at existing schools. Purchasing additional portable classrooms could be considered.

Chair Kieckhefer:

The roll-over bond does not generate the funding capacity in Washoe County that it does in Clark County. Upon full implementation of FDK, how many additional classrooms would be needed in the WCSD?

Ms. Anderson:

I will have to get that information to the Subcommittees. I do not have it with me.

Assemblyman Kirner:

How many schools in the WCSD do not have FDK?

Ms. Anderson:

There are three schools not offering any form of FDK.

Chair Kieckhefer:

We will move on to the Great Teaching and Leading Fund (GTL). Appropriations for this new budget item are contained in B/A 000-2618 and B/A 101-2612.

NDE - Professional Development Programs — Budget Page K-12 EDUCATION-39
(Volume I)

Budget Account 000-2618

NDE - Educator Effectiveness — Budget Page K-12 EDUCATION-105 (Volume I)
Budget Account 101-2612

Ms. Waller:

The next item, a new budget account recommended in the Executive Budget, is the Great Teaching and Leading Fund, which would enable the NDE to grant funding to eligible entities to provide high quality, effective professional development opportunities. In support of the GTL, decision unit E-298 of

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B/A 000-2618 recommends General Fund appropriations of \$4.9 million in each year of the biennium. Budget Account 101-2612 contains decision units E-285 and E-286 that request State support totaling \$165,062 over the biennium for the personnel and associated operating costs to administer the program. Further, GTL would be evaluated by an external auditor, contracted by the NDE, for which the recommended budget includes a \$30,000 General Fund appropriation in the Educator Effectiveness budget, B/A 101-2612.

E-298 Educated and Healthy Citizenry — Page K-12 EDUCATION-39
E-285 Educated and Healthy Citizenry — Page K-12 EDUCATION-106
E-286 Educated and Healthy Citizenry — Page K-12 EDUCATION-106

In addition to the new General Fund appropriations recommended to create the GTL competitive grant program, the Governor proposes funding this initiative in FY 2017 with \$6.6 million redirected from the existing Regional Professional Development Programs (RPDP), in decision units E-960 of budget accounts 000-2618 and 101-2615.

E-960 Trans Schl Remediation 2615 To Rpd 2618 — Page K-12
EDUCATION-40
E-960 Trans Schl Remediation 2615 To Rpd 2618 — Page K-12
EDUCATION-35

The remaining RPDP budget of \$1 million would be divided among the three regional programs to fund the cost of one director and one staff position and associated costs.

Senate Bill 474, as amended, would implement the new GTL program. However, it does not contain appropriations for the GTL, nor is the redirection of the RPDP funding prescribed in the bill.

SENATE BILL 474 (1st Reprint): Creates the Great Teaching and Leading Fund.
(BDR 34-1183)

Subsection 5(a) of subsection 1 of S.B. 474, as amended, defines entities eligible for grants from the GTL as:

- The governing body of a regional training program for the professional development of teachers and administrators.
- The board of trustees of school districts.
- The governing body of a charter school.
- The SPCSA.
- A university, state college or community college with the Nevada System of Higher Education.
- Employee associations representing licensed educational personnel.
- Nonprofit educational organizations.

According to S.B. 474, as amended, the SBE must assign a committee to review the grant applications and make recommendations for awarding grants of money from this fund. The bill, as amended, does not outline the composition or number of committee members. Grant awards must be issued by December 31 of each fiscal year and a grant of money may be awarded for a period of up to 5 years.

Subsection 9 of section 1 requires an entity that receives a grant to use the funding in accordance with the priorities of programs prescribed by the SBE to provide:

- Professional development for teachers and administrators or other licensed educational personnel;
- Programs of preparation for teachers, administrators and other licensed educational personnel;
- Provide programs of peer assistance and review for teachers, administrators and other licensed educational personnel;
- Programs of leadership training and development; and
- Programs to recruit, select and retain effective teachers and principals.

The decisions to be made will be whether to approve General Fund appropriations of \$4.9 million in each fiscal year of the 2015-2017 biennium to establish the GTL and whether to approve a modification to the funding structure of the RPDP and redirect \$6.6 million FY 2017 from the RPDP to the GTL.

Chair Kieckhefer:

Once the money is appropriated to the new fund, who applies for the funds? Is it the organizations designated for professional development or is it the school districts?

Ms. Waller:

In the first year, the RPDP will retain funding and will continue to provide professional development within the priorities established by the SBE. Any of the entities listed in S.B. 474 may apply for grants and the committee will evaluate the applications and award the funds. The RPDPs are eligible entities. In the first year, the RPDP may apply for grants. In the second year, funds would be redirected from the RPDP budgets, but they would remain eligible to apply for grants from the GTL.

Chair Kieckhefer:

Must the entities applying for these grants have a prior relationship with a school or a district regarding the material they will be offering, or will they create a training program and hope it is utilized?

Mr. Erquiaga:

For the first year, the priorities have been set in the bill. There is no requirement for a preexisting relationship in S.B. 474, but, it could be a component of the request for proposal (RFP). As an example, an RFP might list leadership development targeting principals in underperforming schools from an entity with a proven track record with our districts, or a proven national record.

Chair Kieckhefer:

Would more than one entity be granted funds to develop programs in the same subject area?

Mr. Erquiaga:

In academic content standards areas, no; but in other areas it is possible.

Chair Kieckhefer:

Do the districts or the schools decide which professional development programs go into the school?

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Mr. Erquiaga:

Both.

Chair Kieckhefer:

There is an appropriation each year of the biennium, but the grant period can be up to 5 years. How was that structure determined? What kind of programming requires that long of a grant period?

Mr. Erquiaga:

During testimony in the Senate Committee on Education, the districts testified that some of this work requires long-term commitments and expressed concern about an annual grant cycle. In recognition of that request, S.B. 474 was amended to allow the Board to make multiyear grants.

Chair Kieckhefer:

Would a 5-year grant be an annual amount, or a grant that lasts 5 years?

Mr. Erquiaga:

The bill allows either, but the Board cannot encumber funds it does not have. As in the case of federal grant programs, the grant will detail the funding for each year, but only the first two years' funding will be allocated. Funding for subsequent years would be dependent upon State appropriations to the program. The money in this account is allowed to rollover, so the Board could sequester funding for future years.

Assemblywoman Kirkpatrick:

What is the claw-back provision? Are qualifications and compliance with State regulations verified?

Mr. Erquiaga:

Applicants must be IRS tax code 501(c)3 entities. The NDE would perform due diligence to ensure the money is granted appropriately. Currently, the NDE self-evaluates these programs which spend several million dollars, and there are no requirements for State evaluation. There are two complementary refrains: "We need more professional development;" and, "My professional development was not any good." This bill begins to set statewide priorities for professional development and requires outside evaluations of outcomes designed to reflect

student achievement. It will be difficult to demonstrate how leadership programs ultimately impact student achievement, and providers have complained. My response is it should be hard if the State is going to hand out \$10 million. There is no claw-back provision in either the current system or S.B. 474.

Assemblywoman Kirkpatrick:

It is important to ensure teachers and administrators are given the tools they need. I like the idea of claw-backs and performance measures.

Chair Kieckhefer:

Are there restrictions on administrative costs associated with these grants?

Mr. Erquiaga:

None have been contemplated in the bill, but it could be included in the RFP.

Chair Kieckhefer:

The next item will be the Charter School Harbor Master Fund, decision unit E-291 in B/A 101-2699.

NDE - Other State Education Programs — Budget Page K-12 EDUCATION-24
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Budget Account 101-2699

E-291 Educated and Healthy Citizenry — Page K-12 EDUCATION-27

Ms. Waller:

The Governor recommends a General Fund appropriation of \$10 million in each year of the 2015-2017 biennium as a State match for private philanthropy in establishing a new fund to recruit national charter management organizations (CMO) to Nevada. The NDE indicates the program would provide new options to students in underserved schools that are also in underperforming areas. Senate Bill 491 would implement the Charter School Harbor Master Fund.

SENATE BILL 491: Makes an appropriation to provide a grant for the recruitment of persons to establish and operate high quality charter schools to serve families with the greatest needs. (BDR S-1189)

Subsection 2 of section 1 requires the Department of Administration, in consultation with the NDE and the SPCSA to develop an RFP for a nonprofit organization incorporated in Nevada to:

- Recruit, encourage and develop persons committed to providing high-quality charter schools to assume leadership roles in the formation and operation of such charter schools to serve students living in poverty.
- Recruit CMOs that have demonstrated success operating high-quality charter schools to serve children living in poverty and the capability to successfully operate such charter schools in the State.

The bill further requires that a nonprofit organization submitting a response to the RFP must show evidence that it has sufficient funding to provide a 1:1 match of grant funding up to \$10 million in each fiscal year of the biennium.

Subsection 4 of section 1 requires the Department of Administration to appoint a committee to evaluate the responses to the RFP, which includes at least one representative from the NDE and one representative from the SPCSA. The committee must review and evaluate the responses and recommend an applicant to the State Board of Examiners (BOE) who shall make the final decision whether to award the applicant a grant of money. It is unclear from the language in the measure what the next steps would be if the BOE rejects the applicant recommended by the committee. The NDE indicates it is likely that more than one CMO would be selected, but that depends upon the funding requested in the proposals received.

Annual reporting by the nonprofit or nonprofits awarded Harbor Master grant funds to the Department of Administration and the IFC is required pursuant to subsection 6 of section 1 of S.B. 491. The bill provides that unexpended funding in the first year must be carried forward to the second year, and unexpended funding at the end of 2015-2017 biennium must revert to the General Fund.

The decision to be made is whether to approve General Fund appropriations of \$10 million in each year of the 2015-2017 biennium as a State match for private philanthropy in establishing a new fund to recruit national CMOs.

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Chair Kieckhefer:

The gist of the bill is that a nonprofit is recruited that will then recruit CMOs.

Assemblywoman Kirkpatrick:

I do not remember spending \$20 million to have someone else do a study. Why is the dollar value so high?

Mr. Erquiaga:

This is not a study. A Harbor Master performs certain functions as spelled out in S.B. 491. One is the development of personnel to enhance the charter school sector. Another is to provide money for operating costs to start new CMOs in the State, to recruit them. That could be used to provide facilities. Nevada provides no facility money for charters in the State. The large CMOs are not in Nevada because they cannot make their formula work without a building. Another role of the Harbor Master could be to supplement the basic per-pupil funding for the first 2 years of operation. This program operates like the Catalyst Fund in the Governor's Office of Economic Development. The amount of money established in the bill is an incentive to organizations to embark on the creation of new charter schools for students living in poverty.

Assemblywoman Kirkpatrick:

Do these nonprofit organizations pay business license fees in Nevada? Are they considered educational services? The list of low-performing schools in Nevada contains existing charter schools. I would rather spend this money helping those schools.

Mr. Erquiaga:

The nonprofit Harbor Master that would operate the fund is a business entity. I do not know if they pay payroll taxes. The CMOs that would come to Nevada would be public schools. The Harbor Master, using the State matching funds, would augment the development of charter schools operated by the large CMOs. The aim is to increase the quality by bringing the national best practices to Nevada. There are many home-grown charter schools in Nevada. This is a part of the complete education package as presented by Governor Sandoval.

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Assemblywoman Kirkpatrick:

Knowing there are underperforming charter schools in the State, this is difficult to support.

Senator Smith:

I am not sure it is our job to make sure the charter school industry is successful. Historically, charter schools grew out of the desire of a group of parents or teachers to serve a particular subset of student population with programs that could be replicated. I have yet to see that happen in this State.

Chair Hickey:

It is my understanding that the value of some of these CMOs is the success they have had nationally in challenging circumstances. This is a specific remedy that does have a track record and best practices in place.

Mr. Erquiaga:

A map of charter schools in the State will show them ringing large, urban areas. They are not in the inner cities. We underserve these children with choice. There are national organizations that have grown out of this innovative experiment that do serve that population. They are not currently in Nevada. The Harbor Master program is an initiative to bring them here.

Chair Kieckhefer:

We will move to the technology grant program.

Ms. Waller:

The Executive Budget recommends General Fund appropriations of \$23.2 million in each year of the 2015-2017 biennium in decision unit E-294 of B/A 101-2699, known as the Nevada Ready 21 (NR21) grant program. A second component is decision unit E-295 which includes a General Fund appropriation of \$1 million in each year of the biennium to establish an incentive grant program to be distributed by the Commission on Educational Technology (CET) to assist with broadband and Wide Area Network (WAN) access and/or improvements in schools.

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E-295 Educated and Healthy Citizenry — Page K-12 EDUCATION-28

According to supporting documents, the NR21 technology plan is a 6-year plan to implement statewide One-to-One student computing starting in middle school for the first 3 years and expanding to high school in the latter 3 years. One-to-One computing would provide students and teachers their own personal, portable technology device connected wirelessly to the internet. The NDE indicates that a seven-member committee comprised of representatives from the Department, the CET and other stakeholders will review grant applications received from school districts and make recommendations to the CET for final approval. The committee would award grants based on the readiness of a school and the school district to implement the NR21 program, as well as on other factors such as schools with high populations of at-risk students.

The NDE has confirmed that if the NR21 initiative is approved, the recommended \$3.7 million over the 2015-2017 biennium for existing educational technology grant program would be folded into the NR21 grant program to be used for additional NR21 competitive grants. Additionally, the NDE advises that the technology grant funding to meet broadband and WAN requirements of instructional devices would be a matching grant program.

The decisions to be made is whether to approve General Fund appropriations of \$23.2 million as recommended in each year of the 2015-2017 biennium for the NR21 technology grant program, and whether to approve General Fund appropriations of \$1 million each year of the biennium to establish an incentive grant program to be distributed by the CET to assist schools with broadband and WAN access and/or improvements.

Chair Kieckhefer:

It is a 6-year plan and the \$48 million only covers the middle schools. Can we expect a commensurate amount for the high schools in future budget cycles? And, is there an ongoing cost associated with the program as technology needs to be replaced?

Ms. Waller:

The entire plan is available on the CET Web site. I can provide the Subcommittees the outline and the budget for implementation of the program, as well as the ongoing costs.

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Assemblywoman Kirkpatrick:

How will the matching fund components work?

Ms. Waller:

Broadband and WAN access and/or improvements are the matching segments of the program; the competitive grants are for the personal, portable technology device segment of the program.

Assemblywoman Kirkpatrick:

Who will be competing?

Ms. Waller:

It could be either the schools or the districts or a combination.

Assemblywoman Kirkpatrick:

When will the money get into the classrooms? What is the time frame for the process?

Ms. Waller:

There is no policy bill implementing this outlining the time frame.

Mr. Erquiaga:

The NR21 program is administered through the CET that has an existing grant cycle. The CET used to give away about \$30 million; it has dwindled to approximately \$3 million. Their normal granting cycle begins with the fiscal year. Typically, the applications come from districts, but a school could apply. Whole schools must be funded under this program, so a charter school could apply, or a middle school in a district. The CET will meet in the fall and money is distributed. The program is built as a 2-year rollout. The first year focuses on how to incorporate the One-to-One teaching, and the devices are purchased in the second year.

Assemblywoman Kirkpatrick:

Will you provide the Subcommittees the list of recommendations from the CET working group?

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Mr. Erquiaga:

Yes.

Assemblywoman Benitez-Thompson:

What are the different options? This sounds like the platinum standard. Are there other models or paradigms? Do computer labs not exist anymore? Is there no way for students to share?

Mr. Erquiaga:

There is a diversity of digital use in schools. We partnered with the One-to-One Institute which is focused on one device per child. The devices are the property of the school. There are varying rules about whether the device goes home. A middle school in Carson City uses this program. It changes the instructional model. The Governor believes this is the way to deliver instruction for the 21st century and the New Nevada. The current model for computer time in a computer lab that is different from learning time is 20th century thinking. It is not the way work is done; we are trying to model for the schools how the workforce operates.

Assemblywoman Benitez-Thompson:

Are you confident the other systems, the servers and architecture that support these front-end devices, will be in place? Is the capacity there, and do we have contingency plans for when that goes down?

Mr. Erquiaga:

This is the big hurdle for our districts. They would have done it on their own if they could have. It is expensive. The infrastructure issue is the driver for the \$1 million matching incentive grant. There will always be a backbone problem, but it has to be dealt with. Installation of "last mile" fiber optics and broadband in rural districts is being worked on. This initiative presupposes the backbone remains the responsibility of the districts and allows the NDE to purchase the instructional technology and training. Each school and district will have to assess their state of readiness before applying for the grants.

Assemblyman Armstrong:

Is there insurance to cover the loss or theft of the devices? Since children will be carrying these devices back and forth, is there concern for their safety?

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Mr. Erquiaga:

There will be insurance regarding the functioning of the devices as they are purchased. The schools currently using this technology have established "Digital Citizenship" policies. Essentially, the policy equates to "You Lose It or Break It, You Buy It." Some parents choose not to allow their children to bring the devices home. The school then alters the culture to allow extra time out of class for the students to work on the device. Digital citizenship standards should be added to the parent involvement and family engagement programs.

Assemblyman Armstrong:

How is a "You Break It, You Buy It" policy enforced if the families cannot afford it? Safety for the at-risk students is an issue I am concerned about.

Mr. Erquiaga:

I think it is a school decision. It is the same with textbooks, which are extraordinarily expensive.

Chair Kieckhefer:

We do not have to be concerned students will be mugged for their textbooks.

Mr. Erquiaga:

Loss control is part of a school district's purview.

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Chair Kieckhefer:

We did not get through everything today. We will determine if we need to schedule another work session, or wait for the budget closings. The hearing is open to public comment. Seeing none, we are adjourned at 10:55 a.m.

RESPECTFULLY SUBMITTED:

Trish O'Flinn,
Committee Secretary

APPROVED BY:

Senator Ben Kieckhefer, Chair

DATE: _____

Assemblyman Pat Hickey, Chair

DATE: _____

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Bill	Exhibit		Witness or Agency	Description
	A	1		Agenda
	B	3		Attendance Roster