

NEVADA DEPARTMENT OF EDUCATION  
REGULATION WORKSHOP  
FEBRUARY 27, 2017

**Meeting Locations:**

| Office                  | Address               | City        | Meeting Room                       |
|-------------------------|-----------------------|-------------|------------------------------------|
| Department of Education | 9890 S. Maryland Pkwy | Las, Vegas  | Board Room (2 <sup>nd</sup> Floor) |
| Department of Education | 700 E. Fifth St       | Carson City | Board Room                         |

SUMMARY MINUTES OF THE REGULAR MEETING

*(Video Conferenced)*

**DRAFT**

**DEPARTMENT STAFF PRESENT:**

**In Carson City**

Steve Canavero, Superintendent of Public Instruction

Karen Johansen, Assistant to the State Board of Education

**In Las Vegas**

Kim Bennett, Administrative Assistant

**LEGAL STAFF PRESENT**

**In Carson City**

Greg Ott, Deputy Attorney General

**AUDIENCE IN ATTENDANCE:**

**In Las Vegas:**

Anna Slighting, Honoring our Public Education (HOPE)

Bill Garis, Clark County Association of School Administrators and Professional-technical Employees

David Bechtel, Clark County Association of School Administrators and Professional-technical Employees

Erin Cranor, Trustee, Clark County School District

John Vellardita, Clark County Education Association (CCEA)

Dave Berns, Director of Communications, Nevada Succeeds

Michael Vannozzi, TSC2

Lola Brooks, Clark County School District

Dr. S. Rogers, The Greater Mt. Sinai

Caryne Shea, Honoring our Public Education

Kevin Child, Trustee Clark County School District

**Carson City:**

Nicole Rourke, Clark County School District

Carlos McDade, Clark County School District

Stephen Augspurger, CCASA

Mary Pierczynski, Nevada Association of School Superintendents

Risa Lang, Legislative Council Bureau

**Call to Order;**

The meeting was called to order at 9:01 a.m. with attendance as reflected above.

Dr. Canavero explained the regulation workshop process and provided background on R142-16. This regulation is consistent with A.B. 394 and the re-organization of Clark County School District (CCSD).

Dr. Canavero recently requested the Advisory Committee hear concerns related to the regulations and the implementation of A.B. 394 given the progress of the implementation. The Advisory Committee convened and heard items of concern.

### **Public Comment #1**

Trustee Linda Young stated the CCSD board of trustees are pleased that the Nevada Department of Education (NDE) is considering changes to R142-16, the regulation to reorganize CCSD. They look forward to hearing the NDEs ideas about how to modify the regulation and work on the regulation in a collaborative manner. Student Achievement is number one at CCSD, and everyone needs to work on this regulation to help students achieve success.

**Workshop to Solicit Comments on Proposed Amendments to NAC Chapter 388G relating to education;-Possible changes to section 14(3) and 14(7) of R142-16 to allow easier compliance with Section 16(1), the 80/20 share of the unrestricted funds transferred to a local school precinct. Possible changes to section 14(3) include the removal of (i), (m) and (p).**

**Possible changes to section 14(7) include change to the January 15 date and the requirement that the Superintendent consult with organization teams of each local school precinct. In order to comply with reporting and public access to information, possible changes include Sec. 15 to consider changes to the timeline from January 15. Possible changes to the student weighted funding to further clarify that if the state has yet to establish a statewide uniform weight for a category of pupil pursuant to Sec. 17 (a)(b)(c)(d) then the District shall use a flat weight of 1.0, and is not required to create a weight, the District may still submit a variance from the Department if it seeks to use different weights.**

Dr. Canavero opened the workshop at 9:08 a.m. He provided information about three specific areas discussed at the Advisory Committee meeting:

- Section 14(3) – *except as otherwise provided for in subsection 7, the School District must remain responsible for paying for and carrying out for all local school precincts in the School District, all other responsibilities necessary for the operation of the local school precincts and the School District that have not been transferred to the local school precincts pursuant to this section, including, without limitation , responsibility for: (list a-t)*
- Section 14(7) – *On or before January 15 of each year, the superintendent shall determine, in consultation with the principals, school associate superintendents and organizational teams each local school precinct, any additional authority not listed in subsection 2 to recommend transferring one or more local school precincts*
- Section 16(1) – challenge meeting 80/20 threshold established about unrestricted funds being transferred to local precincts.

The first considerations are changes to Section 14 (3), the enumerated list of the responsibility of the school district for paying, and include removal of (i) (m) (p). The identification, evaluation, program placement, pupil assignment and other services provided to pupils pursuant to the Individuals with Disabilities Education Act (i), the custodial services (m) and information technology services (p).

The second potential change is in Section 14(7), related to the date requirement that the superintendent would consult with the organizational teams of each local school precinct. There was a challenge with: *on or before January 15 the superintendent shall determine, in consultation with the principals in each school organizational teams, enumerating areas.* This is a significant responsibility of the superintendent, so there could be consideration related to that section.

In addition there are reporting requirements in Section 15, *requires on or before January 15, the budget is prepared for the next school year and the superintendent will make publically available, a number of items.* There was a discussion regarding the timeline as to whether or not school districts can meet the January 15 timeline, and whether it is January 15 in each subsequent year and the date is revised for this

year to accommodate the standing up of the re-organization. Section 17 outlines the weights for four categories of pupils. Section 17(2)(3)(4)(5) outline the process by which the district would adopt the state weights or if not that weight, then request a variance of the NDE. The Advisory Committee said given this transition the NDE could consider a weight of 1.0 for those categories of pupils, for which a statewide weight does not exist, creating new language. It could be made clear that a flat weight would automatically be eligible if the state does not create a weight.

There are four areas of consideration today, the first of which is possible changes to Section 14(3) to meet the 80/20 split. The understanding is if (i) and (p) were removed in that section then the district would be able to hit the 80/20 split.

Section 14(7) considers the January 15 date for the timeline that the superintendent shall consult with the organizational teams of each local school district and Section 15 considers the timeline by which the information would be made publically available. Currently the date for the budgets is January 15. New language would be inserted in Section 17 that would clearly identify that unless the state has yet to establish a weight, then a flat weight of 1.0 is eligible or the district is under no obligation to submit a variance. They may continue with the flat weight of 1.0 for any of the four categories of pupils for which a uniform statewide weight has yet to be established.

#### **Public Comment for R142-16**

Nicole Rourke, CCSD, noted any changes discussed today need to go back to the CCSD board of trustees for consideration. Member Newburn expressed confusion and asked if the regulation process has changed such that the trustees need to approve any changes discussed, and said this is the time for feedback. He expressed concern and asked if the district is prepared to discuss this item. Ms. Rourke responded the regulatory process has not changed, but she wants to allow the board of trustees time to respond adding they are prepared for discussions.

Ms. Rourke said after further consideration they would like to retain Section 14 (i) within the regulation. Dr. Canavero responded item (i) is not one of those items that would be subject to transfer to the local sites, it would be retained.

Carlos McDade, general counsel, CCSD, added that after the last Advisory Committee meeting the NDE agreed the district could transfer the responsibility for full time employees (FTEs) from the teachers and special education assistants that teach in the schools, to the schools. With that understanding they do not think that part of the regulation needs to be changed.

Dr. Canavero asked if he had a specific example as to what that means. Ms. Rourke said if a teacher is teaching in a self-contained autism classroom it could be attributed to the school. Dr. Canavero clarified that the self-contained classroom would be attributable to the school adding there was a recent discussion about people who were uncomfortable transferring the federal obligations for compliance with IDEA to a local school precinct knowing the local education authority (LEA) and the state education authority (SEA) remains on the hook.

On the funding side a full FTE that is allocated to a school is reflected in the school budget seems reasonable but he questioned the other aspect. Ms. Rourke responded that items such as compliance would remain central and when a small number of staff are delivering services to schools across the district that would also likely remain central. They are talking about school based teachers and school based instructional aides that would be attributed to the school budget. Dr. Canavero said the change is ensuring it is understood for item (i) that certain costs, such as compliance and central staff would be retained at the districts. The FTE allocation for specific school sites that support the services under IDEA would be allocated to the school site. Item (i) could remain given the understanding just established. Mr. McDade concurred and said there might be a discussion about whether something like this needs to be in the regulation or if it could be left as is and proceed with the understanding of what is in the record.

Greg Ott, deputy attorney general, suggested this could be discussed with the Legislative Council Bureau (LCB) and the drafter of the legal language for R142-16, adding what has just been described is consistent with the regulation and he does not see the need for a change.

Ms. Rourke stated she had a question about understanding item (m). She asked what is the NDEs understanding of custodial services, whether or not it has a similar application as item (i) where there would be custodial services assigned to central office functions versus school based functions or whether this is all of that. She asked for further clarification.

Dr. Canavero said he took notes from testimony at the Advisory Committee meeting which is how he arrived at (i) (m) and (p). Clark County School District testified they could transfer these centralized costs to the school site or cut up some share to the school site and then they could hit the 80/20.

Mr. McDade acknowledged that was discussed, but one of the un-addressed issues was the intent of the regulation to provide flexibility of use of those funds to the schools, but they will not be able to have a system in place to provide that flexibility at the beginning of the 2017-18 school year. Their goal would be to get it in place for the next school year; they would not be able to get it in place by August 2017. The question is whether or not that is in compliance with the regulation.

Member Ortiz asked if it is possible to move that cost down to the school site in the budget, but make it inflexible and visible to the school to know how much they are spending on that particular line item. Mr. McDade said they questioned whether or not that would be acceptable. There have been discussions, they could get things in place, the budget books have gone out for the next school year, and there have been discussions that it would be acceptable to provide the transparency to the schools by telling them how much they paid for materials. There are many parts that need to be addressed, and they need time to do that. They could move items to the school this year but they will not be able to go to other sources until these systems are in place.

Member Newburn said the discussion is about showing the cost shifting now. Do we stand up the system with the realization they will not be ready to handle that locally until next year? It is not going to be ready yet, but we want to show the costs going in that direction for the future. Mr. McDade agreed that is correct.

Member Ortiz recognized there is a lot of work to be done in order to allow that flexibility and there needs to be some discussion about how this happens. It makes sense to display the cost this year so the schools are aware of what they are paying for and then next year they will hopefully be at a point where they can have more flexibility.

Dr. Canavero reiterated the idea is that the local precinct budgets would show the cost for custodial services in the 2017-18 school year. Those costs would be non-flexible while the systems are stood up for 2018-19 or thereafter in order for those dollars to flow to the school site to make decisions about how to utilize the funds for custodial services inside the district or seeking services outside the district.

Mr. McDade added that the budget books are closed for the next school year. The intent is to make it transparent for everyone, they do not want to re-open and re-do those books, but would provide the information in a transparent way for everyone. Mr. McDade added (p) would be the same discussion they just had for (m).

Member Ortiz asked what that includes, is it just the school site IT support person, or the full allocation of the IT department. She asked for clarity about what the school would have visibility to. Mr. McDade responded he may not have been clear. The language in this section is describing what is to be retained by central services. Discussion would be to transfer out people that worked at the schools and retain the non-school based information technology services in central. Member Newburn asked if those items get us to

the 80/20. Mr. McDade said he could not say right now, but that is the intent of the changes and the goal of working towards 80/20.

Dr. Canavero said (i) (m) (p) are similar in understanding the retention of the central services cost. Site based specific costs for (i) and (p), site based IT professionals and those working on IDEA. Ms. Rourke noted (m) is also non-school based people or services that are retained at the central level.

Dr. Canavero restated (m) includes individuals, and the local precincts for (i) (p) and (m) they will receive the costs of services as allocated to that local school precinct, (m) is an inflexible line item, (i) and (p) are more specific to the school and whether there are IT professionals on site and (i) would be whether or not there are special education staff on site.

Mr. McDade agreed with the exception that the school would be responsible for the school based custodians and the rest would remain with central. Mr. McDade clarified all three involve personnel and all of them are in bargaining groups. If there are going to be replacement services or services provided by non-district sources then there must be a contract part and process to establish that for all three of them. Dr. Canavero asked at what point will we know if what is discussed today will work to hit the 80/20. Mr. McDade responded up to right now we still do not know if the proposal we are making is acceptable to the NDE and the State Board of Education that must approve the regulation. When there is a decision that this is acceptable then the numbers can be crunched again.

Dr. Canavero said the Board's key question prior to making the change is the goal of hitting the 80/20, and they will want that information. Mr. McDade said it was unknown if the NDE would consider these options with the flexibility not coming until downline. Dr. Canavero clarified that it seems reasonable and the goal is to get to the implementation of the policy, and this is what it will take to get the fine details and continue to move forward.

Member Ortiz agreed adding the 80/20 numbers are not dictating her decision. It makes sense for the children in the school district. It makes sense for the school to have more responsibility over certain areas so they are making decisions and using money wisely. What matters is that the schools are being empowered to make better decisions for the kids. The goal is to provide transparency and autonomy to the school so they are making good decisions. Member Newburn agreed and said he sees items that cover both central services and services that are re-allocated to the schools. He noted we are doing a deeper dive to get the costs charged to the schools in the 80/20 breakdown.

Dr. Canavero asked for comments on section 14(7). Mr. McDade stated the January 15 deadline was more of an issue for this year because of all the moving parts and requirements of work that had to be done for January 15, which included the weighted student funding. January 15 was an issue this year.

Member Ortiz said looking five years into the future, they will be at a point of knowing which teachers are staying and which teachers are going. The cost of that is known, there is not much guess work. If they could get a better idea of what the schools make-up will look like including teachers, and they have all of the information they need so the school organizational teams are looking at data and can make strategic decisions before they actually look at the budget, so there is a date that makes sense for everyone.

Dr. Canavero made a clarifying point that the current discussion is related to Section 15, not Section 14. The: *on or before January 15 of each year, to assist the local school precinct in preparing its budget for the next school year, the superintendent shall establish and make public:* then items are listed. He asked to continue the discussion on Section 15 and then come back to Section 14.

Member Newburn agreed there is a problem with the date and asked if it is a first year start-up problem and January 15 is a good date, or is this not the right date for any year. Mr. McDade responded it was mostly a first year start-up issue with the date. There are so many other dates dependent on unrelated

items such as running the school district that drastically changing the January 15 date seems to be a heavy lift. This first year they could not get everything done and needed to change the date. If it could be changed to on or about to be consistent with other parts of the regulation, in case the date falls on a weekend, they would be happy with that at this time.

Dr. Canavero asked if they anticipate having the information available by a specific date this year. Section 15 established the information for school sites, and Section 16 requires the information is available to any person who requests it in a transparent way.

Eva White, CCSD board trustee, explained that they are currently changing the timelines for next year because of their early start. She noted this information will likely be available for posting in April of this year. This is because of transfer timelines. The early transfer season starts at the middle to the end of March, and they will know more after those positions post and the vacancies are known.

Member Ortiz said they could begin evaluating the data earlier but the final would not be valid until after the transfer period. Dr. White concurred adding the transfer period goes through the end of June. The information based on projections is preliminary information; it will not be until count day for staffing, which is August 25, 2017. That is when they will determine the dollars based on the enrollments at each school. Member Ortiz said using projections is ok but the big question is where the teachers will move. If they were to do an initial pass, instead of January use March based on current staffing, and then a final in June. She asked how that would affect the central offices ability to budget. This eventually goes into the master budget.

Dr. White explained the dollars are currently allocated to schools in the workbooks that are being processed now. Based on projections there will be an opportunity for certain schools, on a case by case basis, to re-visit based on the legislative session in June. They will wait to re-open them until after the session is over so it does not need to be done twice.

Member Ortiz reiterated that ideally the initial pass would occur in the spring, February or March based on projections, and the final in June which takes into account the legislative session and whether there are funds coming in or not. Dr. Canavero said it would be the April date for this year, and then a January 15 date thereafter would be sufficient. Dr. White concurred. Dr. Canavero asked if the date on or about April 15 is responsive in this first year and the challenges referenced. Ms. White said she would rather the end of April. Dr. Canavero agreed to the end of April noting the change would be reflected in Section 15(1) and Section 16 (1). This would give additional time to determine the weights, and then make it public.

Mr. McDade stated he would like to defer on Section 16 as they are not prepared to go through it on a short notice and provide answers, he would like to consult with his colleagues. For example Section b has the 80/20 language they are still questioning and he would like to address that at a subsequent workshop. Dr. Canavero suggested they flag section 16 and other areas for additional discussion at a future workshop. Section 15 will be revised to specify "*on or about April 30 for the first year of implementation school year 2017-18 and on or before January 15 each year thereafter*". Mr. McDade agreed.

Dr. Canavero returned to Section 14 (7) concerning school associate superintendents required to consult and the time it would take to consult with every single principal, associate and/or organizational team. Mr. McDade agreed this was the discussion they had at the Advisory Committee meeting. The literal reading of Section 14 would require the superintendent to individually consult with each principal, school organizational team (SOT), over 350 of those and the 17 school associates. He proposed deleting the SOTs from the list of required consultations adding the reason it is appropriate is because this is the delegation of authority down to the schools. The SOTs can give their advice to the principal and the principal would still be included in the consultation process. Dr. Canavero agreed.

Mr. McDade said regarding Section 14 (7), he would like to change the date to on or about January 15. Dr. Canavero moved to Section 17 adding he tried to make clear that a variance could be submitted for 1.0, recognizing that one of the four weights is established, and it is anticipate this legislative session will establish two GATE and Special Education. The variance opportunity provided for in the regulation could be used as an avenue for the district to say they do not have an EL, GATE or poverty weight, and so would accept the variance of 1.0 for that. He also committed to make it clearer. In this section the NDE would suggest to the Board the inclusion of language to specify *“if the state has yet to establish a weight, the districts are not obligated to do so”*

Mr. McDade concurred with the intent stating he has similar language and suggested working on precise language later. He requested that the weight of 1.0 has a definition included in the regulation so the weight of 1.0 in the proposed definition would be *“which is the current base pupil funding applied to all students.”* Dr. Canavero gave an example of special education and where a weight has been established and also EL where a weight has not been established. Where a weight has not been established, the new language would be that there is no obligation to establish a weight. It would be stated that the district may, but are not under obligation to utilize a weight. Mr. McDade said they would prefer language to state if there are no funds allocated by the legislature then they would not have to include a weight.

Mr. McDade admitted he has tried to explain this several times with no success. He said the issue is that when reading the last two lines in the regulation, *“the school district must submit a request for a variance to use a different weight or distribution of weights to the Department for approval.”* If strictly read, it states if they go to the NDE for a variance, the variance must come in the form of a different weight or a different distribution of weights. The strict reading says they must ask for another weight, but in actuality special education is funded from the state, not through a weight, but through additional funding. They figure out what the children in a particular school need under their IEP and the IDEA and provide those funds to the school to pay for the services.

Dr. Canavero asked if the word “weight” is problematic. Mr. McDade responded what is hanging everything up is that each child has a different need and the funding for that varies greatly from \$1,000 to \$30,000 - \$40,000 for some. If a child does not need the full \$3,000 the remainder of the money needs to be able to move to another child that needs more than \$3000. The issue is whether it is a weight or a multiplier, each child needs a different amount of money. Giving each child the same amount of money makes it harder. Some children will end up with more than they need and then they cannot use the extra for children that do need the money.

Member Ortiz questioned whether there should be a weight for special education or whether it should be an actual cost per student. She suggested this question goes above and beyond the lane of these regulations.

Ms. Rourke reiterated they are talking about a uniform system of distribution of the funding versus a needs based distribution of the funding, which is what they are currently using. She agreed it is part of a larger discussion, but for purposes of today, it needs to be addressed in the body of the regulation. There is a difference between the way the state will distribute funds for special education in the future, given the fact that today with some state fund being used, but always needing to supplement that to meet the need in each school district.

Mr. McDade clarified that the district provides the extra money for the special education children as necessary out of the general fund, and they will continue to do that. The question in the regulation is whether or not they could shift special education to a “needs based” basis for the special education students, different from other students. The needs base requirement is part of federal law that those services are provided to special education students, which is done out of the general fund. The discussion is not about “we can’t do this without extra funding” because they are already doing it without extra funding.

Member Newburn said instead of guessing, do they have recommended language for this part of the regulation. Mr. McDade said yes, until the Nevada Legislature establishes permanent weights for students that are at risk, EL, Gifted and Talented students, is the first part. The second part is until the Nevada Legislature provides full funding for the weights, establishing for students at risk, EL, special education, and gifted and talented students, the district will only apply either no weight or 1.0, which is the current base pupil funding applied to all students. Regarding the understanding of the NDE is that the language would be appropriate if there was an understanding that the \$3000 weight only covers a certain amount of services and then other students require more services. Until then the money is used in a pool to fund students and meet their needs as determined by their IEP and IDEA on an individual basis.

Dr. Canavero said the regulations are very clear about moving unrestricted dollars to the school site. Currently the state has established a weight for an additional investment for students with disabilities. He asked if there is a variance that recognizes this type of flexibility that is necessary but also honors the commitment to funding the local school precincts in a way that allows them to exercise some of the autonomy that is being afforded to them.

Member Newburn noted that special education seems to be a different case where the state is setting a weight and is sending the funds to the districts, but having each school exactly match those same weights is not necessarily how the need is going to be distributed. One student may only need a small amount of additional support and another may need significant additional support. The model from the state to the district is ok, but he questioned how enforcing that same weight down to the schools for special education will work. It seems that special education needs to be separate and is a different case than EL and GATE. There needs to be a way that will allow the district flexibility to continue doing what they are doing now. If a student requires \$40,000, then there needs to be the ability to get \$40,000 to that school versus a student that only requires \$1,000. He expressed doubt about fixed weights at the school working for special education. What is hanging up the district is the notion that they will have the ability to set a weight, and in this case, a uniform weight across schools is not going to work. It is a per student allocation rather than a per school allocation.

Michael Vannozi, TSC2, stated his group is authorized to provide input on these regulations and advice to the NDE. He referred to the report made at the Community Implementation Council (CIC) meeting last week where they discussed the difference that the districts seemed to take between the categorical funding that is earmarked for weights and the funding that is allocated for special education. It was estimated that both of those funding sources were considered restricted for the purposes of budget allocation. In the strategic budget workbooks that are passed out in the school, which Dr. White works on, a per pupil expenditure is derived based upon different notions other than the categories of students enumerated in the regulation. They use per pupil expenditures and also additional categories such as class size reduction to derive expenditures.

This is a situation where there are about 15 different bases and the resources for the enumerated classes of students are spent as restricted resources and they do not reach the local level. For clarity, his group suggested the districts move toward a system where more categoricals are included in their strategic budgeting system just as they do with class size reduction and full day kindergarten to give SOT and students an idea of the resources they get. Currently, with EL and ZOOM funding, the funds only go to about 1/6 of the eligible populations in ZOOM and 1/10 of the eligible for Free and Reduced lunch in Victory. His group suggested that the district move toward a system where they are more inclusive of the categorical funding in their existing strategic budgeting system so schools have a good idea of what monies they get and what resources they are eligible to use.

Mr. Vannozi noted for the purposes of this regulation, the distinction between restricted and unrestricted seems to be a hang-up when it comes to the weighted funding formula. Section 14 of the regulation says that "special education funding is restricted", that is not counted as part of the unrestricted budget that

gets to 80/20. The categoricals for Victory, ZOOM, CTE, GATE and others are considered restricted from the point of view that does not seem to count. That is the big underlying question.

Member Ortiz asked if the word “unrestricted” is the problem as far as “weights must be set for unrestricted funds.” Mr. Vannozzi said, in his opinion, it is an area that definitely needs to be looked at further. If the state is going to continue to pursue a categorical way of doing things, CCSD needs to do its best to be transparent about the resources they use for populations that are enumerated in the regulation. They use \$12 million of unrestricted resources for EL to implement the master plan and they need to be transparent about that and they have been transparent in public forums. They use about \$12.7 million in unrestricted funds for GATE programs that are devolved to the local school level. He is hopeful as a consultant to work cooperatively given that tactical and strategic support to CCSD to think about how they could distribute those resources to the local school level better so they can be transparent. When the SOTs have expectations they know they have a certain number of EL kids they will have resources available to them to spend.

Member Newburn asked to clarify, are we saying that special education should fall into the category of restricted funds and not flow down as a weight to the school, but be something the district has, as a pot of money, to apply to kids as they are needed at particular schools.

Mr. Vannozzi responded that currently, it seems that the district is considering it restricted, because of Section 14 of the regulation which was previously discussed in that list of 20 categories of services that are centralized. The special education services are dictated by an individualized education plan (IEP). Much of the resources are spent at the local school level, for example \$86 million is spent on resourced teachers that are teachers in the building. Many of those resources are also distributed across schools. The centralized nature of the IEP program probably calls on it to be restricted and centralized for many purposes. It appears that it is restricted in this regulation.

Member Ortiz said to summarize, Section 14 contradicts Section 17. Mr. Vannozzi said there are ways to get around that, but it appears the district is viewing special education money as restricted at this time.

Stephen Augspurger, CCASA, added perspective based on what he heard this morning. The goal of A.B. 394 could be reduced to a single sentence, “to provide greater economy and decision making to schools, with that in mind, greater resources for school people to make decisions about how best to meet the needs of children.” At the same time, there was a goal through A.B. 394, to turn the CCSD into a central services organization so they would be supporting what happens in schools. He expressed concern about what he is hearing today because when this process first started the school district had an opportunity to weigh in with concerns that are being expressed today. They chose not to avail themselves of that opportunity through many community, advisory committee meetings, various other community meetings, State Board of Education meetings, and we are here today still talking about the issues with the regulation.

He is concerned about the discussion with the 80/20 because the goal was to give school teams money so they could make individual decisions about their buildings for the best interest of their students. If we continue to meet the 80/20 requirement by giving them things that translate into no additional funds, then we cannot continue to say this process is going to help schools meet the individual needs of their kids. That is only going to happen with additional monies. His concern is that CCSD is a big organization and wrestling with how best to implement these changes, how best to morph into something very different than what they have ever been before which is a central service organization to schools. They have a \$2.4 billion budget this year, a \$2.3 billion budget last year; we are looking at \$5 billion of general fund money.

The goal of this legislation was to make sure that schools had additional monies to meet the needs of their children, and he does not think that is currently happening. Mr. Augspurger asked, if schools are given the

money for custodians, what good is that going to do with meeting the needs of children? The testimony heard today made it very clear that that money would be contingent upon bargaining group agreements. If all monies for custodians were transferred or all monies for itinerant personal, all monies for staffing, where is the new money that those teams are going to use to make decisions that are in the best interest of children. That was what was portrayed to them through the early stages of this process, and that is not what is being heard at this point and is giving him a great deal of concern.

Dr. Canavero inquired about the specifics that are related to the weights. Mr. Augspurger responded that the intent in regulation carries with it a weighted formula for distribution of the dollar to the school site. He asked Mr. Augspurger if he has any specific advice for Section 17. Establishing a state weight has been discussed and he questioned whether the variance process would work specifically for students with disabilities.

Mr. Augspurger said the discussion was had over and over again in the developmental process for A.B. 394, that CCSD would develop a weighted system for their monies that would be preparatory to the state developing the weighted system. That may not be the best way to do it. It is important that CCSD develop a weight system that does not rob Peter to pay Paul, you cannot go back to schools on the outer ring of the school district and take money away from them to fund needs within the school district. The intent was always that the CCSD would take a second look at how they spend \$2.4 billion every year, and make sure that money gets to where it needs to be. That is in classrooms with teachers and children. To not allow the district or to enable them to not develop their weighted funding formula would be a mistake. The effort with the weighted funding formula that starts with the CCSD is where it should begin, ultimately going to the state. This is difficult work but cannot continue the way it has been going, we need to dig in, dive in deep and make sure it happens.

John Valardita, CCEA, said being a participant in the development of this legislation as well as the regulation, both with the technical advisory committee as well as observing and being active with the advisory committee of the legislature, he has learned a few things to keep in mind when having this discussion. The purpose of the 80/20 formula is a construct that keeps in place the decentralized model, it says most of the money has to go to kids, it cannot go to central. It must go to that site based hub of delivery, which is the building. When looking at the categoricals it was clear that legislation made them very prescriptive, in that context they are restricted.

There are also restrictions by federal requirements when looking at special education, and in that context special education was restricted. But when looking at Section 17, it is in the spirit of the money should follow the student and the type of money should be assessed by the needs of the student. In that context there were categories of weights that were developed. Section 17 allows the district flexibility, on the front end it allows the district to make a global assessment of its budget and then a micro-assessment of the needs of kids in buildings and the challenge for the district is to develop weights from their perspective. The second part allows the NDE to have a more global perspective on what weights should be and if they have them developed, that could be the benchmark for the district to respond. If they do not have them, then the district can propose some. The key to Section 17 is the concept of the variance. Carlos McDade proposed that by eliminating the weight concept all together, is to not take advantage of what the variance concept allows.

The variance concept says that make your case, this is the amount of money I have, so that money follows that child into that building regardless of where it is. Any change in Section 17 should strengthen the variance concept and not take away from the weights concept. The inclusion of special education of 29.54 or 29.86, whatever that variance is, that is not withstanding the \$300 million dollars the school district contributes out of its general fund for special education. That is just the amount of money the state is going to give in general to the school district. Under Section 14 it is restricted, the school district has the discretion on how to allocate. That discretion is in the context of federal requirements that special education needs to get the type of education that an IEP or IDEA requires.

Mr. Valardita said it should be in the area of the variance. He recommended asking the district to suggest language that allows them to present the type of variance they need to have the NDE accept it. He also requested any legislative changes about categoricals or weights in Section 17 must take those changes into context. If there are meaningful changes that clearly spell out the weights, the value and the funding for it, then these regulations need to take into account that the district must be in compliance with what is being adopted, and not get an exception to it.

Mr. Vannozzi concurred with comments made from Mr. Valardita and Mr. Augspurger. There are larger contextual considerations when dealing with this weighted funding formula. Variance language allows the district the opportunity to come up with a solution that works for the district.

TSC2 and the community implementation council are ready to assist in trying to come up with the policy solution as are many other members of the community. He pointed out the categoricals for the weighted funded formula are not the only consideration. There are categoricals for CSR that dictate a large amount of resources are concentrated on the first three levels of elementary which influences the way money is distributed through the strategic budgeting system and will continue to influence the way money is distributed through the strategic budgeting system going forward. To strengthen and clarify the variance clause gives the district the opportunity to come up with a solution in consultation with the NDE and others. The consultant is happy to assist where it can to come up with a solution that works, and takes into account the categoricals and the different realities of the system they are facing.

Dr. Canavero responded he is hearing suggestions that some models should be run before changes are made to Section 17 recognizing the variance process exists. Member Ortiz agreed and said it would give them the ability to look at real dollars and see how it looks with the various different models. She suggested adding that specifies if changes occur per the Nevada Legislature they should be taken into consideration.

Deputy Attorney General Ott added whenever there is a regulation passed it is with the understanding that if state law changes the more current law supersedes.

Dr. Canavero asked Ms. Rourke and Mr. McDade if they would be willing to bring data to model what this might look like to better inform a policy decision. Ms. Rourke agreed they need to look at the language in a cooperative way and work towards an agreement.

Mr. McDade said his intent was to point out that the discussion regarding the variance is too strict so these issues are arising adding member Newburn encapsulated the tension. The idea is to make the variance a process that is more useful and flexible and rather than restrict the variance process, expand the variance process and consider other ways of providing funding consistent with A.B. 394, federal and state law, regarding the use of special education money.

Dr. Canavero re-capped the discussion: The next step would be to work with the district, the state, CIC, and TSC2 to model and make recommendations related to strengthening the variance process and bring that information to the board during the final phase of this rulemaking process. He requested this is done quickly; it is an important aspect to resolve concerns the district has and move it forward.

Member Newburn commented that the district is looking for a little more flexibility in the variance process in this situation where the variance they get for special education may not be expressed in terms of a weight.

Dr. Rogers, teacher, said they understand that staff, students, the Board and the Legislature must take away parent and community rights to improve their schools. The NDE, Legislature and Board must allow the CCSD to direct and make their own corrections. He asked that the community and school district be allowed to take care of their own affairs, they must have a choice of who should run the school district in

their communities. Dr. Rogers said he does not support A.B. 394 as it is written and he wants the CCSD to correct these issues. Dr. Canavero asked if there are changes to this regulation that he sees as necessary in order to satisfy his concerns. Dr. Rogers said yes, there are educators in his district that are able to correct these issues, but they need time to develop them and get it right with the funding.

Dr. Canavero asked if he is addressing how the district allocates dollars to school sites. Dr. Rogers concurred and Dr. Canavero asked if he has specific suggestions about the funding related to ensuring the funds follow the student to the school site, and the variance process, but also honor the school organizational teams and the principals to have funding to make decisions that are responsive to concerns raised. Mr. Rogers agreed adding there is not enough time to put these things in place in the school system.

Ms. Rourke asked Dr. Canavero who they could work with from his staff. Dr. Canavero asked Member Ortiz if she would coordinate with the CIC and the TCS2 group. She agreed.

Dr. Canavero reiterated they covered Section 14 (3) and the changes related to (i) (m) (p) and meeting the 80/20, the decision on or about January 15 under Section 7 for the superintendent and the elimination of the organizational teams because that was duplicative in terms of the consultation requirement. They discussed, under Section 15, the on or about April 30 for the first year of implementation, then January 15 each year thereafter. In Section 16, there were open ended questions about the on or about April 30. He asked Mr. McDade and Ms. Rourke if they would ask the district for clarification and return the information back for the Board. There was a lot of discussion in Section 17 about the distribution of the weights, and whether they could convene a group through Ms. Rourke, member Ortiz, the state, and himself and run numbers to look at strengthening the variance process in order to have a discussion related to specific policy changes required in Section 17.

Mr. McDade stated he would like to come back with their other concerns at another workshop where they can be prepared, and work with NDE staff to address concerns not raised by today's discussion. Dr. Canavero said he does not want to keep holding workshops. The regulation is effective and he does not want to continue to suggest the regulations are not in effect by continuing to have workshop discussion. He would like to resolve the issues and move forward. He asked Mr. Dade if there are additional concerns he could address. Mr. McDade said the agenda items today, Section 14 and 17 have such a large impact on the entire regulation they need to take what was learned today to re-access from the perspective of the rest of the regulation. The other changes they might have are cosmetics.

Dr. Canavero asked if they need more clarification that would help understand the direction the regulations are going. Ms. Rourke asked to clarify Section 17, after the discussion today, is the intent to move forward with the understanding they are working on a model? If the intent is to add the language initially presented about removing the requirement to develop a weight on behalf of the district, or if the state does not have those weights developed yet or whether the intent is to move forward with different language. Dr. Canavero responded his intent in Section 17 would be nothing until the models are run. Considering the public comment today he expanded his thinking about the policy and what the weight actually means in addition to a state weight but also the local dollars as well. He would like to get that group together in the next couple of weeks to model and then use the variance process expanding it to learn what kind of policy recommendations will come out of that before conclusions are drawn.

Mr. McDade said the discussion was opened up in Section 14, 3 (i) (m) (p), as that discussion was completed, Mr. Canavero stated that it was ok to consider moving those funds to the schools, the school based funds, even though they did not have a system to give the flexibility right now. Then there was public comment to the contrary. He asked if Dr. Canavero's position still stands and they can tentatively plan from that position. Dr. Canavero said his experience has been that even when referencing statutes, that commitments or contracts must be honored that are already in place. The extent to which those existing agreements frustrate the ability to provide the flexibility commensurate to the funds that are

transferred to the school site needs to be taken into consideration. He might ask to see or attest that the language impairs Mr. McDade's ability to provide the funding and flexibility with those funds. However he agreed that in the first transitional year, this has been discussed a lot and if this is what it is going to take to continue to move it forward, then that is what is necessary. Mr. McDade can go forward with that consideration. Given testimony he would like to see the evidence that it is not feasible to provide the flexibility even though it is feasible to provide the dollar value.

Member Ortiz said she is in agreement. Starting with giving the school teams visibility is a great first step. As systems and procedures get into place in the next 2-3 years, flexibility is being offered and that is the goal.

Member Newburn agreed. These are costs that are associated with the local schools and so having them count in the 80/20 on the school side.

Dr. Canavero said the conceptual discussions and specifics to recommendations will be moved to recommendations for drafting and a hearing will be scheduled in about 30 days out. Whether that means another workshop is needed between today and the hearing date to bring back information related to Section 17 in the work of running the models around the variance, and what types of policy changes may be necessary if any and for CCSD to weigh in on Section 16 and the date.

The workshop closed at 11: 38 a.m.

**Public Comment #2**

There was no public comment.

The meeting was adjourned at 11:30 a.m.