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[AGENCY 13]

SENATOR MELLO: Any other testifiers today on Agency 69, the Nebraska Arts Council? Seeing none, that will close today's public hearing on Agency 69, the Nebraska Arts Council, and take us to our next public hearing of the day, Agency 13, the Nebraska Department of Education. [AGENCY 69]

MATTHEW BLOMSTEDT: (Exhibits 1 and 2) Well, good afternoon. And first of all, just thanks for all you do. I know this is a lot of listening and digging into number and appreciate the efforts of the Appropriations Committee and really all the Legislature on efforts. I have a couple things going around. The first one being essentially an outline of some of the comments that I'll make today and the second one being a little bit more. As you might have noticed, we put a pretty significant request in for data. I thought maybe I ought to talk about that with you as well. So first of all, I am Matthew Blomstedt, the Commissioner of Education. Blomstedt is spelled B-I-o-m-s-t-e-d-t. And it really is my pleasure to be here. I think one of the major issues as I have now been in the role just a little bit over a year as Commissioner of Education, I think there's significant opportunities in front of us. And many of the opportunities deal with what's the role of a state education agency in the education system overall? Part of that, there's also a role for obviously the interaction between the Legislature, the State Board of Education, the department, and all of the education stakeholders: school districts, school boards, and on. But there's also a role that tends to play out with the federal government as well. And so there's been significant movement and discussion around what's happening with No Child Left Behind and ESEA flexibility is one of the questions as well as ESEA reauthorization. And since I don't really have a crystal ball, I can't tell you how that will all turn out. But for the first time in quite some time, a number of years, probably approaching a decade, there's real movement at the federal level to talk about...significantly talk about the types of issues affecting...ultimately affecting the education system. We put a couple of statements in there. These are from a position paper that we wrote dealing with ESEA reauthorization, firmly believing that the

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education system in Nebraska and all of the states is really designed as a state function, influenced, of course, from others from the federal side. But ultimately it's through our constitution and in partnership between the Legislature, the Governor, the State Board of Education, and all of the stakeholders in education that we run the education system in Nebraska. And I think that's important and it's important as I talk about the concepts of where we go from here. A little bit about the Department of Education: If you look at the department, as you all know, there's also a significant portion of the department that is vocational rehabilitation; a significant portion that's disability determinations as well. In fact, well over half the agency, about 60 percent of the agency, is dedicated to those functions. And ultimately K-12 or P-12 is roughly...it's 240 employees out of 550 employees. And even out of that P-12 portion of the system, about 55 percent of our employees are essentially federally funded, running programs from special education to Title to a lot of different federal programs on that side. But we also have, you know, I think a very dedicated staff interested in supporting the schools in Nebraska, really working to improve. And I think that's been a critical part of our work and our conversations. Ultimately, it's the obligation of the State Board and the Department of Education to effectively work with the Legislature. And I mention that because there's always histories of agencies not working effectively. I tell you I'm absolutely committed to making that work. And sometimes when we go through our process we have to help be part of the solution as well. So we're not just here to point out any particular issues. We're here to be part of the system with you, and I think that's critical as well. Ultimately, those roles and responsibilities are established in the constitution and law. And through law, the Legislature describes a lot of what we do at the Department of Education. Ultimately, our budget, and we have to resubmit a budget to you, as you obviously know. We did this ... started this process when I was about a month on the job. I asked staff to say what are some key investments that you think will make a difference to the education system in Nebraska as we press forward. And part of that budget process, part of that philosophy was we have to think about the investments in the education system; and we've traditionally done in Nebraska state aid to schools to support schools. But there's a changing landscape right now. We have to

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start to think about how else we need to support schools in their critical mission of educating our students. Obviously, we implement the statutory requirements that the Legislature asks. We do that as effectively as possible. You're always able to call our staff; and anytime you need something, I encourage you to do that. Implementing programs, many things that you see in our budget along those lines we try to do with great efficiency as best that we can and do it in a way that actually enhances the whole system and not just individual programs. And I think an evolving part of the process is research, evaluation, and support. The reason that I say that, we have a lot of requirements that we have to do. I always describe the have-to-dos, but it's in things that we get to do that we will make a difference for our students across the state. Among the have-to-dos that we're doing right now, based on LB438 that passed last year, is building an accountability system. And building an accountability system that really leads not just with accountability for school districts, but accountability for the system as a whole that we somehow contribute to that system, that we are also held responsible for making sure that school districts are supported in their improvement. And that we are doing our work to make sure that we have not just gotten...not just organized the data around accountability but actually use data to effectively move the system forward. And so that's part of what drives our work right now. Thinking through that, there's lots of other support systems, and we have to do that work well and together. It cannot just be special education. There's a lot of pressures on the federal side of what they're calling in special education results-driven accountability. We could build a separate system to deal with that. We think it has to be part of the same system to create less confusion for school districts and to actually focus on ultimately what the goal is--I call it every student every day--that we're encouraged to look at how every student across the state of Nebraska is doing and ultimately support those schools in their mission at the teacher level, at the school building level, at the district level. And we think that we've tried to present at least ideas for investments in that system. I will talk about a little bit of our specifics on our budget. So some of what we know from the preliminary budget summary, there's the carryover items, and I'd like to talk just a little bit about that with you. First of all, on assessment, there's an assessment earmark. As a

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carryover item, we included what we anticipated would be payments in the ongoing process of building an assessment. And we would ask that you would be able to carry that over in our budget. Also some of the other work that happens, there's an LEP poverty, limited English proficiency poverty plan work that we would ask that you would be able to carry that over. A lot of that work starts in the spring and goes into the summer. And so it's sometimes a timing at the end of a biennium year. Also Early Childhood Step Up to Quality we'd ask the same thing, that there be allowance for carryover on that front; adult education, high school equivalency programs, same way. As I just mentioned, LB438 and accountability, a lot of work was going into that; and we haven't made a lot of expenditures necessarily out of that bigger program pot because it's intended to be implemented into the fall and that we will be supporting schools with that investment as well. And then last year's LB923 appropriations for school safety and security we'd ask that those be continued and allowed to be carried over for the next budget. We have lottery funds, and this is an interesting one, I suppose an interesting one for you. And we're certainly caught in the conversation in this regards. Part of the lottery funds from the past, and I couldn't...I know Sandy could tell you the exact date that these all shifted over, but the fact of the matter is there are certain generally funded projects and programs at the department that were shifted over to lottery when there were tough times. What we included in our budget request is that many of those...the ones that we thought would continue and need to continue would be there. I've included a list of those: the high-ability learners, early childhood grants, Excellence to Teaching, career education, and Bridge Programs be continued in some fashion. And obviously, if not General Funded, we hope to talk to the Education Committee as well about those things. But ultimately, those are critical programs and I think starting to focus in on individual students and every student every day includes a wide variety of learners. High-ability learners, early childhood, all of that is important to us. As you look at data systems and thinking about the investment that we're requesting, I know it's significant. But I want you to think of it in these terms, and there is a little bit of an outline of what we studied and it was based on a legislative resolution to study the various systems that school districts are required to have or essentially must have to be able to effectively

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report data to us in all sorts of forms, from a financial standpoint to a student achievement standpoint. Many of those systems are fully funded at a school district level. If you think about that, everyone is making a lot of independent decisions about what that system looks like. And I somewhat say that we're somewhat killing ourselves trying to collect data from our school districts and they're killing themselves trying to gather the data for us so we can simply report that data and report that data on up to the federal level. And it seems somewhat insane because we're going to be asked a lot of questions about how that data works, but we spent most of our time in organizing that data to get that done. I will tell you there's at least 13 different student information systems across the state of Nebraska, and that causes us to have to think about how we organize that data and establish standards for that data reporting process. And school districts, the way that we've done it has been largely manualized, mostly saying, hey, employ one or two people or three people or four people at a school district level to help make sure that the data gets reported properly. And build your system because our system then adjusts to reporting for our purposes. So if you add that up with 245 school districts all over this state, you very quickly have...if it's just two people per district, you very quickly have almost 500 people just dedicated to data reporting. We think that's inefficient, ineffective, pulling resources from the wrong places. So we've laid out a plan, and I won't say it's perfect by any stretch of the imagination and we certainly continue to work on it, but laid out a plan that we think is the right investment in the system. You can think of that system almost as a support system in lieu of other support systems which might include aid, by the way. So many of our smallest districts that don't receive much in equalization aid have to have data systems. They have to be able to do that. Our largest districts say, help us figure this out. We're taking a lot of time to get data reported to you. We need a plan to be able to pull that together. We started that plan. We've laid this out as a budget request in front of you because we think it's that important, that important that we invest in a system that is more efficient, more effective, frees up resources and actually improves our knowledge of our own system so we can make good decisions about this for the future when you make an investment that we can actually evaluate whether or not that investment was the proper one. And then

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finally, the department is also, probably like lots of other agencies. We're at a point in time where we're facing the potential for a lot of transitions in retirements. In fact, about 40 percent of our staff across the whole department are 55 or older. We have a substantial portion 65 or older. And we anticipate that we're going to have ... and some of these are key leadership roles within the department. And I'm looking at this from the future standpoint saying where do we need to invest? I am a little concerned and I ran some numbers--and I think I sent a letter to Senator Mello about this--ran some numbers and our expected process, our normal process is asking for some type of deficit request when we have retirements. And the Legislature has always been very good to fund those deficit requests when we had retirements. It's a lot bigger number in our projections than what has historically been there. And so we're bringing this forward as much as a conversation. We can continue to ask for a deficit request, but I wanted you to be aware of where we're sitting as an agency so we can make good decisions and not surprise you next year either with a substantial number of retirement requests. I also am looking at the importance of transitioning key leadership roles at the department and making that investment for the long run in new staff and thinking about how we would do that. So I include some of that language in the request as well. With that, I would close and you can have at me I guess so. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony, Commissioner Blomstedt. Are there any questions from the committee? Senator Kuehn. [AGENCY 13]

SENATOR KUEHN: Thank you for your testimony today. Do you have an idea of your best estimate for what you may be looking at for unexpended funds on June 30? [AGENCY 13]

MATTHEW BLOMSTEDT: Off the top of my head I don't. I'd have to get those to you. And part of it is, is just timing of certain large contracts and things along those lines as well. So we can certainly put something together. [AGENCY 13]

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SENATOR KUEHN: Thank you. [AGENCY 13]

SENATOR MELLO: Any other questions? Senator Stinner. [AGENCY 25]

SENATOR STINNER: I have several questions. [AGENCY 13]

MATTHEW BLOMSTEDT: Sure. [AGENCY 25]

SENATOR STINNER: Some of that has to do with property tax. Of course, we're getting beat over the head. You have direct linkage into the property tax situation. And I hear you say that you want to be part of the solution. Have you identified by any chance major cost drivers at the local level that you're seeing and what would those be, one, two, three? [AGENCY 25]

MATTHEW BLOMSTEDT: Yeah, I mean I think in a couple of different ways. I'm looking really closely at federal funds and how we've historically distributed federal funds, which come with certain mandates and increasingly more mandates on how that works. One of the dynamics is we've disbursed a lot of funds, and I'll just use a number and Title I is one of the numbers I'm thinking of, but we disburse the funds through there. In certain school districts, they may receive \$15,000 or \$20,000. Can we be negotiating perhaps with the U.S. Department of Education a better way of distributing federal funds that doesn't drive an additional cost? Because what bothers me in small schools is they might spend that money thinking, well, it's a good thing that we get that, but they might spend, you know, \$20,000 to get \$15,000 for instance. If those circumstances are real, we need to start really rethinking that system. Other drivers are, you know, certainly economy of scale. As you know and historically, the economy of scale issue has been addressed by, well, we'll reorganize and reorganize and reorganize. And just so you know, not all of you know me that well, but my past life included being the director of the Nebraska Rural Community Schools Association. I did school consolidation studies all over the place. Realistically, and I said it at that time years and years ago and I say it

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now, at some point we have to start to talk about how we deliver education in rural places, declining enrollment places, and being thoughtful about that. And again, it's going to take some investment at a state level to think about systems that are going to support them in the content and the delivery of that content. Part I think you'll probably hear a little bit about distance education and what ESUs do. But we are working very closely with educational service units, we're working closely with a lot of districts on coming up with ways that we create a little more efficiency around the instruction side for schools. Ultimately, that will be a driver and maybe somewhat of our salvation of making sure there's educational opportunities for students. I grew up in a small town myself, by the way; K-12 was roughly 100 students. My dad was the board president. My senior class was the last to graduate from that school. And then you watch that and they continue to decline. And so we have to start to think about the economy around these places, but making sure that we don't undermine the delivery of quality education. [AGENCY 13]

SENATOR STINNER: Yeah, a couple more questions. Schools are now starting to think--Scottsbluff being one school in my district, Gering will be the other one--that will start to rethink their education and how...you know, more toward a career academy idea. Several concerns I have about that, number one is, is there enough teachers out there to deliver the type of curriculum... [AGENCY 13]

MATTHEW BLOMSTEDT: I can answer that one, no, right at the moment. [AGENCY 13]

SENATOR STINNER: Agreed. And that drives back into the consolidation question and the cost of doing career academies. Do you have a pilot plan or a template that you can share with us? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. I mean our career education folks have worked pretty closely with us. And it is actually an exciting time in the sense of thinking through driving

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education from the students' future in mind. Right? And that's what I like about that effort. The plan for that is you, again, have to scale up certain support systems for those students in different ways, individualizing educational opportunities and not just thinking about creating the old welding class where everyone takes the old welding class. We have to think differently about creating those opportunities. Partnerships--we have a project going on called reVISION right now of schools really planning and thinking with their community around creating those opportunities. We are going to have to create virtual opportunities to make that possible for every student. And I think we're going to have to work very closely with the whole state and the business community on creating opportunities as well because it's going to take a lot more than just the school to make that transformation. Now if we reinvented the model of career education as it existed before, I think that would be the wrong thing to do. I think there's a new model for career education that includes partnerships with the community colleges. And we've done a lot of that over time, but there's ways to create curriculum and opportunities right now that are very legitimate, very relative to the local area as well as the whole state. [AGENCY 13]

SENATOR STINNER: I'm just thinking in my own district as you're talking, of course, I've got WNCC in that district, I've got Scottsbluff/Gering. But I also have Minatare, Morrill, and Mitchell, and those schools don't have the critical mass to hire the teachers to have these types of programs. So what you're envisioning is something along the line of WNCC kind of being a hub possibly with a Scottsbluff or a Gering High School. [AGENCY 13]

MATTHEW BLOMSTEDT: Helping, yeah, create that critical mass around certain programs and statewide we need to do that better too. [AGENCY 13]

SENATOR STINNER: Okay. [AGENCY 13]

MATTHEW BLOMSTEDT: I think there's opportunities for that beyond just those

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boundaries. [AGENCY 13]

SENATOR STINNER: The one thing that we need to have some conversation about is a lot about the consolidation, the best practices, the best way to go about it to contain the cost, to drive the cost down. And I guess I'd look to you to really kind of spearhead that approach... [AGENCY 13]

MATTHEW BLOMSTEDT: Um-hum. [AGENCY 13]

SENATOR STINNER: ...with the superintendents as you start to talk to them. What's been that response? Do you feel like you can have that conversation and say, look, this is how we have to do it? This is our answer. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. [AGENCY 13]

SENATOR STINNER: And then us as legislators start to look at how best that we fund education. [AGENCY 13]

MATTHEW BLOMSTEDT: Uh-huh. I think our models historically on school reorganization, when we said reorganize in that old, what I'm going to call, industrial model, for lack of a better term, we would incent that behavior by offering some dollars that essentially would help fund the cost of the efforts. What I can tell you is in communities that becomes a pretty painful thing. I think we need to provide some more leadership in the models of the education system that would be possible. I know that we've had staff that actually comes around, the career education piece, up in kind of the northeast part of the state, conversations with school districts, and communities aren't always ready for that. I'm just going to tell you that flat out that I think that's a conversation, and we're going to have to be better about our planning and our economic development planning and engagement. That communities do not have to die when you reorganize, but we have to be more thoughtful about reorganization as an investment,

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when it takes place, when it's appropriate for those schools. But distance is becoming quite another feature of this issue. And often what you start to see is...I don't think it's logical to put kids on a bus for a long period of time. So how do we create educational opportunities? I will say virtual education, and I don't mean to replace what happens in schools but to expand opportunities using different types of interventions or different types of materials ultimately. And not thinking about just the traditional kind of, you know, 8:30 to 3:30 type of school day, but thinking about the school day differently, thinking about the amount of time that we spend. And also within our classes that we currently offer, thinking about how we integrate some of that curricular opportunity. [AGENCY 13]

SENATOR STINNER: Equalization is always a big thing. You know, when it started I used to have these numbers, but it was like two handfuls didn't qualify for equalization. Now we're at hundreds. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. Admittedly, and a lot of my time has been spent on school finance in my career. Admittedly, I would have never guessed growing up in Palisade during the ag depression that we would have seen ag land values grow as they did and residential property suddenly stop growing. And, you know, we were not as bad off as many other places around the country. But when you look at that, that was a game changer and why we're going to have to start rethinking how we support schools where they're at, beyond just the equalization. By the way, I believe in equalization if they have resources. I believe in equalization as a funding mechanism, but it can't be the only strategy to support schools. [AGENCY 13]

SENATOR STINNER: Okay. Thank you. [AGENCY 13]

SENATOR MELLO: Thank you, Senator Stinner. Senator Haar. [AGENCY 13]

SENATOR HAAR: Yes. Often data and accountability are... [AGENCY 13]

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MATTHEW BLOMSTEDT: Intertwined. [AGENCY 13]

SENATOR HAAR: ...lumped together in the same sentence. Talk about the difference there. What are we trying to achieve with data and why should we fund it? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. And it's good for you to raise this one because I've gone from, you know, if you think about the track of data and reporting, you go from data to information to knowledge to wisdom hopefully, right, at some point that it's actually not just data for accountability. And I will tell you most of what we do around accountability, I'm trying to turn Nebraska into a leader on accountability instead of a follower for other things that may happen. But really leading on accountability in this sense that accountability ultimately is about every student learning. Accountability is that every student would reflect on their public education, their public school experience. and they would say, hey, look, they gave me what I needed. And that's real accountability I think, in my mind. But what we...from a policy perspective, create the accountability if you don't hit this number in this box we're going to penalize you. If you don't hit this number in this box, we're going to penalize you. And that largely has been driven from a federal perspective of accountability because they were trying to figure this out. I mean I don't actually blame them. And when you say No Child Left Behind, it's not all that different from what I say about every student every day; but it has to be something so much more than just looking at data. We have to get to the point of where we're analyzing data for improvement. And that's where we would hope to take it and hope to drive the accountability system. [AGENCY 13]

SENATOR HAAR: Again, real briefly but this morning we heard in the Chamber we ought to I guess stick with No Child Left Behind. Why are we trying to get a waiver off that? [AGENCY 13]

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MATTHEW BLOMSTEDT: Yeah. It's an interesting piece because I think, you know, historically the waiver itself is interesting in this regard. That it's actually saying that the current law is broken, come along with these rules and we'll give you relief from the current law. The fact of the matter is I'm not convinced that what they lined out in the ESEA flexibility is much better. It's just a different type of law and where you go. So you say, Matt, so why are you endeavoring to apply for ESEA flexibility? We had a lot of conversations over the last year about this. Number one, there are punitive measures that come with the current No Child Left Behind requirements that I think in some ways undermine our schools and our system of education in Nebraska. But I think more importantly the reason that we write a waiver is to try to describe, try to describe where we think we ought to go. I don't know that we will be granted a waiver underneath these circumstances. There are things that they require. Teacher/principal evaluation in the way that they have wanted it from the U.S. Department of Ed. I don't think we would qualify. But I do thank you and thank members of the committee for including the investment in someone to lead teacher/principal evaluation at the Department of Ed because that's critical that we build our system and not a blanket one-size-fits-all system that I think you see in the traditional requirements. As we submit the waiver application, and we're still taking public comment and input on this, by March 31 we'll have something submitted. We're not signing up for things that we don't think are appropriate for Nebraska. I mean I can tell you that I don't think it's appropriate that we would change our plan to get the waiver. But I do think it's important that we describe our plan, communicate that well with the federal government as part of our partner in this effort and say this is what we think we need to invest in and put a little bit of emphasis on what we think they ought to invest in. So I hope that they'll listen to us on that front. We will see. We will see. We won't... I told the State Board last week when they voted to go ahead and say, yeah, okay, get this submitted by March 31. That was the window of time we were told that it could be reviewed. When they said that, I'm not going to submit something that I think would be counter to our interests overall. And I think that's critical for us to keep thinking about that, keep discussing and say this is where we need to go as a state. [AGENCY 13]

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SENATOR HAAR: Basically every child left behind means every child, 100 percent proficiency at the same level, right? [AGENCY 13]

MATTHEW BLOMSTEDT: I hope we don't do every child left behind. We want none left behind (laugh). [AGENCY 13]

SENATOR HAAR: Yeah, yeah, I'm sorry. I'm sorry. No child, yeah. [AGENCY 13]

MATTHEW BLOMSTEDT: No, you're right. I mean and I think there's special...I think there's things that came out of No Child Left Behind: specific attention to subgroup populations. I think that's a critical thing and how are we treating all of our students, not just a grouping of our students, that we think about this in different areas. How are we treating our poverty students, our minority students? How are they doing? And as we build an accountability system, it's actually helping us focus our efforts and attentions on investing resources ultimately where we think they most need them. And so I think those are good things out of what's happened in the national conversation. I just don't think that their kind of check-the-box approach to accountability is appropriate for us. [AGENCY 13]

SENATOR HAAR: I think that every child, that's my grandchildren reporting back on the testing they go through in schools but... [AGENCY 13]

MATTHEW BLOMSTEDT: Yes. I've shared this story before, my second daughter who is 5th grade this year, last year in 4th grade she told all her classmates that the reason they take all these assessments is because of her dad. So I'm not terribly popular (laughter) in her classroom, so. [AGENCY 13]

SENATOR HAAR: And then you stressed the whole thing of funding the data systems and so on. How short did we leave you of that in the preliminary budget? [AGENCY 13]

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MATTHEW BLOMSTEDT: I don't think we added anything, so I mean very short I guess. Let me tell you about part of...we've had statewide longitudinal data system grants from the U.S. Department of Education. We've been endeavoring to leverage resources to build what we think is appropriate for us. We don't know that that's an ongoing sustained type of approach to building a system in Nebraska. I think school districts are really...I'm actually surprised because over the last year I expected a little bit more pushback to trying to build this more comprehensive data system by school districts. In fact, they've said, no, figure out how we get this done, because I think they can see the advantage of having a system that's really unified around making it efficient and effective and taking burden off them instead of a system that we don't lead and leads to a lot more burden for them. [AGENCY 13]

SENATOR HAAR: Okay. Thank you. [AGENCY 13]

SENATOR MELLO: Thank you, Senator Haar. Senator Nordquist. [AGENCY 13]

SENATOR NORDQUIST: Thank you, Mr. Chairman. Thank you, Matt. Two specific issues I want to ask about, one is the Legislature, through this committee, last year put in funding for the Microsoft IT Academy, we continued it in our preliminary. Can you speak to just the first year of operation with that, your general thoughts on it, how many districts are we in, just basic background? [AGENCY 13]

MATTHEW BLOMSTEDT: I knew someone would ask me a question that I couldn't tell you off the top of my head. [AGENCY 13]

SENATOR NORDQUIST: Okay. [AGENCY 13]

MATTHEW BLOMSTEDT: I'll have to get some of the details back to you specifically. I know what we've done in working with our career education folks, Rich Katt and Cory

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Epler, that work closely on that. And we took the Microsoft IT Academy piece as an example and perhaps a model for certification in certain areas, certification possibly that will address a better model for us in the future. And if you think about that, it allows us to take something at a centralized level and see how it's going. We haven't done an evaluation yet of all those processes... [AGENCY 13]

SENATOR NORDQUIST: Right, right. [AGENCY 13]

MATTHEW BLOMSTEDT: ...how many students are in it yet, as far as I know. And we can certainly try and get that data back to you. But as a model goes, this concept of certification is a changing model in education. You see it nationwide that... [AGENCY 13]

SENATOR NORDQUIST: Right. [AGENCY 13]

MATTHEW BLOMSTEDT: ...how do you really get folks prepared for a career, and this is one of the approaches that that would work in. [AGENCY 13]

SENATOR NORDQUIST: Right. [AGENCY 13]

MATTHEW BLOMSTEDT: We need to get much bigger than that, I mean, and I'm not saying just from an appropriations standpoint, in our thinking about it, so. [AGENCY 13]

SENATOR NORDQUIST: Right, right. But that initial appropriation, was it fully subscribed to? I mean was... [AGENCY 13]

MATTHEW BLOMSTEDT: I think so. Last numbers I was looking at, you know, we might have a pretty good run at it. Schools...I think it required that folks be on PC, and many schools are. The schools that weren't, that were, you know, if they were completely Apple based, that didn't work as well for them. And I think there's some

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conversations going on with community colleges as well around making sure that there's opportunities on this front so. [AGENCY 13]

SENATOR NORDQUIST: The other program was the request we didn't put anything in yet. I know there's another related bill that maybe funding can come for the Step Up to Quality childcare program. The Legislature, two years ago I think it was, pretty overwhelmingly said, yes, we want to create a rating system where we can have maybe some market forces in childcare. Can you kind of talk to the need for that appropriation to make sure that program is successful? I've heard anecdotally that at least I think the biller required anyone who gets a half a million dollars that they'll have to start participating half a million dollars of childcare subsidy. And that we've seen well beyond that number sign up, childcare providers, because they want to be rated, they want to get that information out to parents. Can you speak both to that and to what the additional funding request would be used for? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. I think number one there was...there's actually considerable demand on that as you were describing, considerable demand, and I think for a good reason considerable demand. If you look at childcare as in rural places it's a bit of an economic development issue as well because you're finding that, you know, folks with children, if there aren't very many other providers there, that they really need that, the dynamics of quality. And I think it's in partnership with the Department of Health and Human Services that we really think through quality. And data plays back into this one as well. [AGENCY 13]

SENATOR NORDQUIST: Right, right. [AGENCY 13]

MATTHEW BLOMSTEDT: But when you look at that, that we have to provide solid leadership and guidance on what that quality looks like. So I think a substantial portion of that is expanding our service to those providers that are interested in that. And I am pleased that there's...and I love the title of Step Up to Quality and then within what we're

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doing on accountability we're talking about quality as well--accountability for a quality education system today and tomorrow. The integration of those two things is really important that we're able to serve those providers that needs the assistance so they can expand without undermining their existence. And that's a balancing act I think we're going to face and part of the reasons for the additional funding request. [AGENCY 13]

SENATOR NORDQUIST: Thank you. [AGENCY 13]

SENATOR MELLO: Thank you, Senator Nordquist. Senator Hilkemann. [AGENCY 13]

SENATOR HILKEMANN: Yes. One of your proposals here is to...you've got a list of five programs that you're suggesting be returned to General Fund from the lottery fund. Why do you say...why do you feel that they'd be better paid for by General Fund rather than lottery funds? [AGENCY 13]

MATTHEW BLOMSTEDT: Well, I don't know if better is necessarily the issue. I think first and foremost that they would be funded in some fashion. I think the history of this was that they moved these programs, I believe all of these programs. I can't be absolutely positive of that, but I believe all these programs, they were formerly General Funded. And we knew in the conversations last fall before we submitted the budget we had sat down with staff from the Education Committee and from Legislative Fiscal Office and others to talk about where's this really going to go. And at that point in time it seemed that it was appropriate to say, okay, in our budget would be the right place at least to have the conversation, so. [AGENCY 13]

SENATOR HILKEMANN: Okay. And one other, one word that you never mentioned during your testimony was what's the status of Common Core? [AGENCY 13]

MATTHEW BLOMSTEDT: Oh. I knew someone would ask because, you know, someone always does. So in Nebraska we've decided...I said when I was hired, by the

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way, that I think it's a mistake for us to abdicate our authority to set our standards in Nebraska. We work very closely with our school districts, with teachers, with now postsecondary institutions talking about that. So what we have are college- and career-ready standards in Nebraska that are actually built by Nebraskans, built with leadership from the Department of Education, but in partnership across the whole state. You know, it would be crazy for us not to pay attention to what's happening nationally. So we examined how they compare nationally because we think we have to compete nationally and perhaps internationally. Our students need to compete in that regard. And so we've looked at it and the reason that we don't have them is we think it's actually better. By the way, I couldn't tell you necessarily who writes Common Core standards or who will write them or revise them in the future. If we maintain our current system, I can tell you who will write them and who will revise them. And I think that's the reason we're at where we're at. We know that we want to prepare our students for wherever they want to go in the future. And so we're looking at ways of how we continue to raise the bar on standards. But we think we need to be in control of that. [AGENCY 13]

SENATOR HILKEMANN: Okay. Thank you. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Senator Kintner. [AGENCY 13]

SENATOR KINTNER: Well, Mr. Commissioner, thanks for coming out. [AGENCY 13]

MATTHEW BLOMSTEDT: Thank you, Senator. [AGENCY 13]

SENATOR KINTNER: Always good to see you. I want to follow up on something Senator Hilkemann said about the lottery funded items to General Fund. How many years did we fund those from the lottery? [AGENCY 13]

MATTHEW BLOMSTEDT: I'm trying to remember back to that. I think it happened

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during the special session in 2010, the date I'm not going to get. It's been several years now that it's been funded out of that, maybe two biennium, so. [AGENCY 13]

SENATOR KINTNER: Well, do you see a problem here? So we start these programs out with lottery funds. We build up a constituency that likes them. And then the Education Committee goes, hey, you know what? We're not going to fund it anymore. Then it falls on our plate. We got all these people calling saying, my kid is in this program. It's the greatest thing in the world and then...and you're helping them. [AGENCY 13]

MATTHEW BLOMSTEDT: Can I just point out...can I actually... [AGENCY 13]

SENATOR KINTNER: So if you see a problem with that... [AGENCY 13]

MATTHEW BLOMSTEDT: Can I point out one thing? Actually I believe all of these programs were funded by General Fund before they got moved in hard times to the lottery funded. [AGENCY 13]

SENATOR KINTNER: Okay. [AGENCY 13]

MATTHEW BLOMSTEDT: That's what I believe. I may be mistaken on one or something, but I believe that's the case. So I'm not actually advocating that that be part of that regular routine, that the Innovation Funds necessarily be used and then just simply transferred over to General Funds. [AGENCY 13]

SENATOR KINTNER: Okay. Good. [AGENCY 13]

MATTHEW BLOMSTEDT: So that's what I'm telling you there. [AGENCY 13]

SENATOR KINTNER: Okay. So that's not a general policy that you're supporting.

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[AGENCY 13]

MATTHEW BLOMSTEDT: No, no. [AGENCY 13]

SENATOR KINTNER: So this is a limited time. [AGENCY 13]

MATTHEW BLOMSTEDT: Yes. [AGENCY 13]

SENATOR KINTNER: Just on these. [AGENCY 13]

MATTHEW BLOMSTEDT: Yes. [AGENCY 13]

SENATOR KINTNER: And we won't have new programs starting this year and then transfer them. [AGENCY 13]

MATTHEW BLOMSTEDT: Right. These are actually...I think they looked in tough times to find a funding source and they actually tapped into lottery to keep them going. [AGENCY 13]

SENATOR KINTNER: Okay. (Inaudible) not that I want to fund them. [AGENCY 13]

MATTHEW BLOMSTEDT: Senator, if that makes you feel better. I want you to feel good today. That's all I'm telling you, so. [AGENCY 13]

SENATOR KINTNER: Okay, okay. Okay. Okay. Very, very, very, very good. Hey, let me follow up also on Common Core. I mean I got hammered from people in my district, where it's kind of sneaking in the back door. You know, we've talked about this. And they're buying textbooks, especially the math, it's absolutely driving parents crazy. They want me to do something about it. And it's not an official policy. It's district by district, and I'm not even sure the people on the school board know that there's Common Core

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aligned math in their district or maybe they're finding out now. What do you do about that? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah, it's an interesting thing. Number one, you go down this path and you start building curriculum and content. And school districts have to use content that's aligned with Nebraska standards. So it might be that they buy material that says...by the way, nothing better than marketing from educational content providers to say, hey, look, we're aligned to Common Core, if they believe that's where everyone is going. I couldn't say that was always the case with the content. But when they do that, they're certainly marketing. When you look at the materials, we need materials that are aligned with our standards. And we have to be able to do that at scale as well and be able to provide leadership and guidance in that at the same point in time. So I've heard the same kind of...I get the same types of e-mails and concerns with that. And part of it is there's kind of a void of curricular materials. When you do write your own standards, that creates a little bit of a curriculum alignment issue because folks have to pull that together. We do put and one of the other budget requests was about instructional systems and trying to build content systems. I will tell you that I think the future of most educational content is going to be in digital format so it can be guickly aligned with our standards versus textbooks that are simply flip through the pages and follow that as a kind of a rule for the history of textbook sales. It's changing. It's going to change pretty dramatically. We need to find ways that we're actually leading in that front as well and not just leaving our schools high and dry from (inaudible). [AGENCY 13]

SENATOR KINTNER: Mr. Commissioner, right now I say, you know, you got to go pound on your school board and tell them to change. It's very, very tough. If I figured a way to do it on our side, I would. Are you guys moving toward tightening up those standards a little bit as to exactly what constitutes the math the way we do math and how we accept it; what constitutes science; what constitutes, you know? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah, and so obviously a lot of that work. And the State

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Board historically has stayed out of the curriculum mandate side, right? And there's a reason for that and I think generally a good reason. But I don't want to stay out of the curriculum leadership side, if that makes some sense. I believe we should demonstrate what proper curriculum might look like in the future for our schools, help them organize that more effectively at scale, compared to what we're doing right now, and be able to move that forward as a joint investment between school districts and the department and the State Board of Education. And pulling that together in an effective fashion would be better than leaving them without any guidance. And I think that's part of the discussion. When you say tightening up standards, I think our standards are there but it's kind of the next levels of support systems that would help our schools really implement the standards well. [AGENCY 13]

SENATOR KINTNER: Okay. One last question: So next time I get stopped by a parent, I can't understand my kid's 5th grade math. It's crazy. What... [AGENCY 13]

MATTHEW BLOMSTEDT: Send them to me, yeah (laugh). I'm helping my 5th grader, too, by the way, so. [AGENCY 13]

SENATOR KINTNER: What exactly do I tell them? [AGENCY 13]

MATTHEW BLOMSTEDT: If they can't understand it? [AGENCY 13]

SENATOR KINTNER: Yeah. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. The interesting part of that and they started to change methods of how you teach different, you know, concepts within math. And oddly enough what I'd like to change in society is math is not hard. And I hear that often that math is hard. Teachers probably need to work with parents more if there's an expectation of homework, how do we do that, how do we accomplish that better. In those cases, I think the parents should talk to their teachers and building level administrators about, hey,

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look I don't understand that. Is there some way that that could be better described or the homework problems could be better described for those students? [AGENCY 13]

SENATOR KINTNER: Okay, I'm sorry. I said it was going to be the last one. Another follow-up, but you've seen the math problems. When you and I would look at it and go, what, that's two or three steps, we get done. But they take them through about six different steps and then they come up with an answer. You've seen those problems, right? I mean, I guess they're Common Core. They're saying they mean... [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. I'm not sure it really is Common Core is the interesting part. [AGENCY 13]

SENATOR KINTNER: I know. [AGENCY 13]

MATTHEW BLOMSTEDT: But the...you know, I mean it may be just they're looking for ways to really advance math and science at an earlier age. And that's really...our traditional kind of practice is, you know, my 1st and 2nd...we had combined grades. My 1st and 2nd grade teacher wrote me at one point and she goes, they don't even teach math facts anymore. I mean she, you know, she's about 90-some years old and so I hear from her and I'm thinking to myself, no, I'm pretty sure they're teaching math facts. But they are trying to teach a lot of different processes and procedures that would help with different areas of math. We even have pressure on us to be talking to folks that are in, you know, programming right now to include programming as a language skill within elementary. That might be really good for business, but I suspect that will really confuse parents, probably would confuse me. I can't keep up with my kids on their iPhones much less anything else. So, and you know, that's...we're going to have to find ways that we actually engage better with parents. I think that's the bigger issue here, that we engage better with parents from a school level. And I think there is a state role for that in leadership and guidance on that. [AGENCY 13]

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SENATOR KINTNER: Thank you, Mr. Commissioner. [AGENCY 13]

MATTHEW BLOMSTEDT: Hey, thank you. [AGENCY 13]

SENATOR MELLO: Senator Hilkemann. [AGENCY 13]

SENATOR HILKEMANN: Yeah, just a comment. I think that it's going to be important that you're constantly monitoring the ACT and the SAT tests down the line. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. Great point, and there is a bill in the Education Committee to allow us to think, at least be thinking about the possibility of using those assessments at a high school level. We're watching it obviously from the pilot program right now in ACT, too. So thank you. [AGENCY 13]

SENATOR MELLO: Senator Haar. [AGENCY 13]

SENATOR HAAR: Just some data that hopefully will give some knowledge here. [AGENCY 13]

MATTHEW BLOMSTEDT: (Laugh). [AGENCY 13]

SENATOR HAAR: There was LB333 that was in 2010 with economic downturn that took six programs that had been funded from the General Fund, some from as long as 1994, and put them into the lottery funds. Four of those only stayed in lottery funds for two years. But there are two of them, the high-ability learner and early childhood grants, that are still being funded out of lottery funds. So the funding of some of these go way, way back in General Funds but were simply moved. And you'll hear a lot more about that in Executive Session because I've researched that. But the other question I have for you, Commissioner, is we got a sheet from First Five and it lists the at-risk children zero to

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five. And these go Douglas County, 42 percent of children age zero to five are at risk of failing in school; Lancaster County, 41 percent; Scotts Bluff County, 56 percent and so on. We know that early birth through kindergarten really is part of the way out of this problem of these children, these high-risk children failing in school. But yet we don't do all that much funding. What do you see is the future for providing this kind of...we know scientifically that it makes a big difference. It makes kids who otherwise may end up in prison though be contributing members of society. What are we going to do about this? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. And I'll probably send over another graphic that we have about what I call systems of support and ask the question, where do you fit in? And it has, you know, from early childhood to career. We can't do all of that necessarily in schools. It's obviously in our partnerships with... [AGENCY 13]

SENATOR HAAR: Right. [AGENCY 13]

MATTHEW BLOMSTEDT: ...our libraries and community agencies and others that would make sure that opportunities are being presented. We know that exposure to books at an early age makes a lot of difference and there's data and research that demonstrates that. And we have to find ways, but it can't be simply just about the school. It has to be about the community. And so the investments that you make at a legislative level, the analysis of those investments. And, I think, you know, First Five being a great partner of not just the education system but I think the community system in Nebraska and talking about where we need to make investments and really make a difference. We know, and I sat down with Melody Hobson at one point, maybe some point last year, saying, well, if we start to address that gap, that gap that seems to persist. If they walk into kindergarten, they tend to have a gap in knowledge and skills regardless throughout their whole time. So we have to address that gap at the earliest opportunity to really be able to close that. Otherwise, we're kind of fighting an uphill battle constantly. And I think that's the strong case. The folks that have looked at early

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childhood in that regard are really demonstrating that we're going to have to get a lot more creative about closing that opportunity gap for the future. And there's a lot of different ways and a lot of different programs. From a systems support level, I think schools have to be part of that solution, but we're going to have to also work very closely with others to make sure that students are showing up with less of that. And obviously three- and four-year-old programs are part of that right now. You know, we haven't done...I haven't done, I'm sure someone has done an analysis of how those programs just in Nebraska have started to impact the opportunity gap that we see for students entering kindergarten. [AGENCY 13]

SENATOR HAAR: Yeah, because we can't just keep dumping that responsibility to education. It is a whole community. And I'm wondering how we're going to come together as a community to take on that problem, and with schools being part of it but not the only part of it. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. We'll keep working on it. I think we have some great partners in state agencies across the board. We have some great partners in communities across the board. But I think we need systems that are going to help them support that work too. And we're going to have to be very thoughtful about that. I wish I had every answer for you. I don't. But I am committed to being able to be part of that solution too. [AGENCY 13]

SENATOR HAAR: We've got some great private donors in this state who are doing a big piece of this. But somehow it's got to expand because these numbers are really alarming. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. [AGENCY 13]

SENATOR HAAR: Thank you. [AGENCY 13]

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SENATOR MELLO: Thank you, Senator Haar. Senator Nordquist. [AGENCY 13]

SENATOR NORDQUIST: Just to follow up on the Common Core discussion, does...have you heard from districts? Is it at all challenging for them to find textbooks that align with our curriculum? [AGENCY 13]

MATTHEW BLOMSTEDT: It is a problem. [AGENCY 13]

SENATOR NORDQUIST: That don't...I mean, I assume, like you said, if you're a marketer of textbooks you're going to align it to Common Core because 40...I don't know how many states have backed out now, but it's certainly over 40 states that are aligned to those standards. And will this decision or lack of a decision force us to spend significant money as a state in the future, you know, providing curriculum opportunities, content? [AGENCY 13]

MATTHEW BLOMSTEDT: I think what you're starting to see nationally is a desire to customize curriculum around standards. And that's kind of what happened before. Textbook companies, as they've transitioned from here's your textbook to, oh, here's access to your content in a digital sense, we're starting to see them move. As their model is moving, our access to content aligned with our standards is going to move. And I think we miss the ball, kind of miss the ball if we back into what the old model is to adjust for that, where I think the future is really going to be a much more robust, ongoing conversation about standards evolving over time. Nebraska, we actually by state statute we adopt standards on a five-year cycle. [AGENCY 13]

SENATOR NORDQUIST: Right. Right. [AGENCY 13]

MATTHEW BLOMSTEDT: Might be a little shy. We've asked for them to maybe go with a seven-year cycle in the Education Committee. I happened to be a staffer at the time that was written so I blame the staffer at the time, I will tell you. But the reality for us is I

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think we need to prepare for what the future is going to look like. And I don't think...I really don't think it's Common Core. I think it's something else that's much more robust. [AGENCY 13]

SENATOR NORDQUIST: Can you speak to the funding request for the on-line, is it, curriculum repository essentially and why we would do that if the commercial market is kind of moving that direction? Or are we buying pieces of the commercial market that the state would house? [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. Then we could kind of do both. And actually I saw Gary Targoff in the back of the room. NET and I have worked...Gary and I have worked over time. The educational service units and I have worked over time. I worked for them obviously so that's part of that. But looking at the building systems that are going to be flexible enough to adjust for the future is the key part. But partnerships like PBS National brings us all sorts of potential content and continuing to build on those partnerships. Schools, by the way, are out there buying all sorts of content. Can we buy that content more efficiently and effectively for statewide distribution in a different way? They're buying this stuff now. How do we organize and provide a path that we do that better? [AGENCY 13]

SENATOR NORDQUIST: Do you survey districts on what they're buying or any kind of...? [AGENCY 13]

MATTHEW BLOMSTEDT: No, we really don't, although it's been a conversation because it hasn't been where we've been from the department side. I think it's an opportunity to provide leadership and say what do you really need? And I think school districts would be up for that. ESUs do that at kind of a regional level and some conversation that's statewide too. [AGENCY 13]

SENATOR NORDQUIST: Okay. Thank you. [AGENCY 13]

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SENATOR MELLO: Thank you, Senator Nordquist. Senator Bolz. [AGENCY 13]

SENATOR BOLZ: Good afternoon. [AGENCY 13]

MATTHEW BLOMSTEDT: Hi, Senator. [AGENCY 13]

SENATOR BOLZ: I hear concerns in my district about increasing pressure on teachers dealing with behavioral and mental health needs. And I just would like to hear you discuss your request for a behavioral health coordinator and what that might mean to the state. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. First of all, we've heard that all over the state for a lot of, I mean, so it's not just unique in certain areas. I'm finding it all over the state. And we're really needing to look for strategies that are going to address that issue for the long haul. It does come back to some of the conversations I think around community and where we need to go. But it's ultimately organizing the capacity around students that have particular needs and families, I'll tell you. And I don't know if there's...it seems that there's correlation. I don't know that there's causation, but there's correlation between economic downturn and behavioral health issues in schools. And sometimes because maybe you're going from one parent not having to work to both parents having to work or household stresses, whatever it may be. But we have seen a sharp increase in the concern around that issue, and we've seen it in special education and behavioral health. And I, again, if there's a problem that's surfacing that can be prevented, we need to invest on that side. But right now we may have a period of time where we see it across the board, a pretty expanded number of students that are facing those types of challenges. And in order for us to provide some leadership, that's why we ask for resources on that front and continue. We'll look for ways that we can partner with others, I mean, Health and Human Services, other agencies across the state. But we want to make sure that those issues are being addressed and that we're providing

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leadership to help. [AGENCY 13]

SENATOR BOLZ: Thank you. I appreciate that. That, to me, that's a really important word, the framing it in terms of providing leadership and helping school districts find solutions. I appreciate that that's the way you're thinking about it. Thank you. [AGENCY 13]

MATTHEW BLOMSTEDT: All right. Thank you. [AGENCY 13]

SENATOR MELLO: Thank you, Senator Bolz. Senator Kintner. [AGENCY 13]

SENATOR KINTNER: Well, sorry about this. I was only going to ask you like one question; now it's like five. [AGENCY 13]

MATTHEW BLOMSTEDT: I should quit talking and then you won't ask me any more questions. (Laughter) [AGENCY 13]

SENATOR KINTNER: I want to follow up with something Senator Nordquist said before he left in terms of textbooks. If I remember, the two big drivers of textbooks were California and Texas, right? Has that traditionally been the way it's been? [AGENCY 13]

MATTHEW BLOMSTEDT: Traditionally, yes, very much so. [AGENCY 13]

SENATOR KINTNER: Well, if it's somewhat still true, if we just bought from Texas, we wouldn't have Common Core textbooks, right? [AGENCY 13]

MATTHEW BLOMSTEDT: I don't know for sure. Actually, the textbooks that still come out of Texas are aligned with Common Core because they were marketing to other places too. So it's an interesting dynamic. And in Texas they are a little more aggressive about designing their curriculum, but there's kind of some push back and forth between

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schools and the state on that front. It's a...yeah, I wish I had all the answers then I'd just tell you (inaudible) I know. [AGENCY 13]

SENATOR KINTNER: I always thought that, jeez, it would be easy to just buy the Texas Common Core, the non-Common Core Texas because they don't like Common Core in Texas and rightfully so. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. You know Texas does everything right. (Laugh) [AGENCY 13]

SENATOR KINTNER: All right. I was just wondering. Thank you, Mr. Commissioner. [AGENCY 13]

MATTHEW BLOMSTEDT: Yeah. They had that one extra second to figure it out is what I recall. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none... [AGENCY 13]

MATT BLOMSTEDT: I'll run. [AGENCY 13]

SENATOR MELLO: ...thank you, Commissioner. Next take testifiers on Agency 13, the Nebraska Department of Education. [AGENCY 13]

ROGER BREED: (Exhibit 3) I thought I'd clean up a few things that Matt said (laughter). One of the...Senator Mello, members of the Appropriations Committee, my name is Roger Breed, R-o-g-e-r B-r-e-e-d. And I'm here today representing the Greater Nebraska Schools Association, which in turn enrolls about two-thirds of Nebraska's 300,000 public school students. And we're here to offer testimony in support of Agency 13, the Nebraska Department of Education. The GNSA will limit its testimony to two

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areas: building data capacity, and the return to the General Fund of early education and high-ability learner funding. A recent and significant trend, as Matt I think eloquently outlined, in the relationship between Nebraska public schools and the Nebraska Department of Education has been in the areas of data collection and accountability. The Legislature and the federal government have increased substantially the demands for accurate, timely data regarding student attendance, assessment, progress. graduation, and others. The capacity of school districts to gather, audit, and submit this data in usable form varies greatly, depending on the size and location of the school district. Therefore, the capacity of the department to assist in this process is paramount. In the past decade, NDE has relied on federal grants, as Matt described, to build and support a data system including a robust technical assistance team. Those grants are for the most part gone, and it falls to the state to continue this effort if the state wants to require accurate and timely data, which I think is essential for your decision-making process. Second issue, the time is now to return early education and high-ability learner funding to the General Fund and not use lottery funds for these programs. I was here before this committee in 2009 and 2010 and said at that time, don't do it because there will come a day that you will have to return to the General Fund programs such as early education and high-ability learner education. Well, that time is now. We agreed to the change back then because there was a tremendous budget shortfall that was recession induced. I hope Matthew never has to go through the five years of recession that marked my commission status. So if we could ask this committee and the Legislature to return these obligations, these continuing obligations to the General Fund and the time is now to do so. So in summary, expanded state funding for continuing to build and support the NDE data capacity that benefits all Nebraska school districts, and a return to the General Fund for early education and high-ability learner education funding would improve, at least in the opinion of the Greater Nebraska Schools Association, the NDE appropriations and budget for the next biennium. Thank you for your consideration of this testimony, and I'll attempt to answer any questions or clean up anything that Matt said that you don't like. [AGENCY 13]

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SENATOR MELLO: Thank you for your testimony today, Dr. Breed. Are there any questions from the committee? Senator Haar. [AGENCY 13]

SENATOR HAAR: It's been said that the problems currently that Nebraska faces were due to the former commissioner. [AGENCY 13]

ROGER BREED: Yeah, that's one of the things I'd like to clear up (laughter). It was...you know, Matt was very kind that he didn't go into that. But it's pretty well known in the department that that was the case, yes. [AGENCY 13]

SENATOR HAAR: No. I just want to thank you for all your service as Commissioner of Education. [AGENCY 13]

ROGER BREED: I appreciate it. [AGENCY 13]

SENATOR HAAR: And I hope there's a little less pressure on your current job than... [AGENCY 13]

ROGER BREED: A little less in some ways. So my wife has a much tougher agenda for me than anything the department provided, however, so. [AGENCY 13]

SENATOR HAAR: Well, again, thank you for all your service all your years. [AGENCY 13]

ROGER BREED: Thank you, Senator Haar. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Dr. Breed. [AGENCY 13]

ROGER BREED: Thank you, Senator Mello. [AGENCY 13]

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MELINDA KENTFIELD: (Exhibit 4) Hello, Mr. Chairman and members of the committee. My name is Melinda Kentfield, M-e-I-i-n-d-a K-e-n-t-f-i-e-I-d. I'm a mom, a nurse, and a volunteer for the American Heart Association. I'm here testifying today to ask you to invest \$200,000 to go to our schools to help train Nebraska students in CPR. I know firsthand the devastation that results from losing a loved one to sudden cardiac death. My son Taylor died a year and a half ago from sudden cardiac death. He was living, working, living the good life in South Dakota, Brookings, South Dakota. He was going to college. He was out jogging one day with friends and he collapsed. One of his friends that was with him, stayed with him. Another friend went to go get help. The friend that stayed with him did not know CPR. He did not know what to do, and he had to stay with him through that time until EMS showed up. My son passed away that evening. They did everything they could between the doctor, nurses, paramedic, EMS staff to save him but they were unable to. Through that process and as a grieving mom, I took the opportunity to say, you know, I need to do some more volunteering. I signed up through the American Heart Association to just try to make a difference. When I did that, I discovered that there was a huge opportunity for me to speak and talk about the story of my son and his friend who was there and did not know what to do. And that's why I'm here today to advocate for this good cause and purpose and policy changes. Imagine if every high school student was trained in CPR. We could generate tons of lifesavers. I see an investment of \$200,000 as just a start to getting more students trained in CPR. According to the American Heart Association, it is estimated that CPR training could be delivered for an average of around \$5 per student. Simply getting trained in CPR, following national guidelines, and getting hands-on practicing will be very beneficial. And any individuals with CPR training are more likely to deliver those lifesaving steps. I'm also sensitive to this subject because my husband, Taylor's dad, is a Nebraska school superintendent. And so I am aware by the conversations at home of the challenges he has also with meeting the demands in his school and money. So it's an interesting subject at home, but I have the strength in myself to speak about this subject because I think it will save lives and make a difference. As a medical professional, I also

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see that time is critical. And only about 10 percent of individuals who suffer cardiac arrest outside of a hospital survive. By the time EMS arrive, it's usually too late and that is another reason why we need more citizens, young citizens, high school kids getting trained in CPR. It will assist in that next step as EMS arrive, as just general people, everyone out there, being able to do that initial step. What happened to my family, my son is very tragic. It's also very tragic for his friend that was with him that now has begun his young life with that experience. Training students in CPR will fill schools as well as communities with potential lifesavers. You never know when you will have the opportunity to help another person. Cardiac arrest can affect anyone: men, women, children of any age or race in the United States, just as it has affected my son. Thank you very much for the opportunity to testify on this lifesaving matter. And I respectfully urge you to invest in getting our students trained in CPR. As I also have a Nebraska student sitting over here supporting, my son Riley (phonetic) so he's a senior at Norris. Do you have any questions? [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Ms. Kentfield. Are there any questions from the committee? Senator Haar. [AGENCY 13]

SENATOR HAAR: Yes. Is this included with a bill, do you know, or could you tell me what the bill number is on that? [AGENCY 13]

MELINDA KENTFIELD: I can't say the bill off the top of my head that was. Last year I testified also. I mean that was even at a near time to his passing, in support of the...I guess it would be the interpretation that the School Board Association would have on the law and also talked to the School Board Association about it also. I just can't remember the actual LB, as Brian (phonetic) from American Heart Association. [AGENCY 13]

SENATOR HAAR: Okay. We can find out. [AGENCY 13]

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MELINDA KENTFIELD: Uh-huh. [AGENCY 13]

SENATOR HAAR: I was just wondering whether it's already in something we have here. [AGENCY 13]

MELINDA KENTFIELD: Yeah, this is mostly for the appropriations for funding to assist. As I've said talking to my husband, and I understand even by listening to everybody today--this has been very interesting--all your challenges of what you fund for working through your budgets, and I understand that. So it is part of it to assist the schools, to put this into their curriculum, in their health curriculum, in the courses there. So it's a funding to minimize the barriers. [AGENCY 13]

SENATOR HAAR: Okay. Thank you very much. [AGENCY 13]

MELINDA KENTFIELD: Uh-huh. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Ms. Kentfield. [AGENCY 13]

MELINDA KENTFIELD: All right. Thanks. [AGENCY 13]

GREG ADAMS: Good afternoon, Senator Mello, committee members. You have these grins on your face, huh? Must have something on me, right? My name is Greg Adams, A-d-a-m-s, and I'm here as a proponent of the budget for NDE. But primarily I want to talk about one thing and I'm going to keep it very short, and something else has come up so I have to talk about it as well. I have some responsibility. It has to do with data. We have in this state collected data since No Child Left Behind and even before then. But ask yourself, what good is it if all we're going to really do is to report it to the feds? That data needs to get used. And primarily as a user and remembering having been a teacher in a classroom or maybe a principal in a building where there's need to change

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or diagnoses of what's going on, you have to have access to that data. So I'm not here advocating for more data. Maybe that's necessary too. What I am advocating for is what Commissioner Blomstedt is saying, and that is, in essence, the federal money is going away. We have to begin, even if you don't fund the whole thing, we have to begin to build this data system in a way that teachers can use it, that principals can use it and certainly policymakers. Otherwise, it has...it doesn't have the value that it ought to. I'm reminded of...I think it's TD Ameritrade and buying stock on-line. It's access to information. That's really what this is about. And we have to keep working on what the department has started with federal dollars. I would conclude with that except I was chairing the committee when we were facing \$1 billion budget deficit and we overturned every stone possible--Senator Haar, you remember--... [AGENCY 13]

SENATOR HAAR: We did. I do. [AGENCY 13]

GREG ADAMS: ...because education is about 49 percent, almost 50 percent of the General Fund appropriation. And we moved a lot of things over to the lottery in order to relieve pressure on the General Fund where our issue was. And so what this is really about is moving some of those things back. And if I recall, most of those things have a statutory sunset on them, too. They will all have to be revisited. So you know, there are some concerned about perpetuity when you move it back to General Fund, but statutorily all that stuff on lottery has to be revisited and I don't remember the date. I'm going to speculate. I think it's '15-16 all that stuff has to be looked at again. I'll conclude. If you have a question, I'll try to answer. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Mr. Adams. Are there any questions from the committee? Seeing none, thank you, Greg. [AGENCY 13]

GREG ADAMS: That was easy. Uh-huh. [AGENCY 13]

SENATOR MELLO: Next testifier today on Agency 13, Nebraska Department of

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Education. [AGENCY 13]

JON HABBEN: Good afternoon, Senator Mello, members of the committee. My name is Jon, J-o-n, Habben, H-a-b-b-e-n, current executive director, Nebraska Rural Community Schools. My remarks will be brief and probably fairly obvious. Rural schools across the state depend heavily on both ESUs and the Nebraska Department of Education. The potential weight that sits on every individual school district's shoulders, irregardless of size, taps both their capacity in manpower, it taps their capacity in time, and it taps their capacity in funding. And a strong Department of Education for us is a very, very important piece that we pay attention to. Now a particular component: We have long advocated for improved and increased special education reimbursement. This is something that all school districts have this cost. They have it to one level or another and it depends largely on who their students are and the types of activities that they are expected, even mandated, to accomplish on behalf of those kids learning. And to grow this in the face of...and I know PL 94-142 many years ago stated that they were going to step in at 45 percent of helping states fund special education and it's, ah, maybe 17 percent now. And I know that about a dozen years ago in Nebraska the state's effort was about 70 percent and it's down maybe 55 percent or so. The need is definitely there. I hope that you will continually annually consider how important this is to schools carrying out that mission. I will tell you that when special education costs are not supported by reimbursement, they find themselves competing with the regular education General Fund. And ideally, we'd not have any of any of that competition internally, but we recognize it happens. So any effort on your part, very, very welcome. And again, very strongly support the funding and the growth of the Department of Education. Thank you. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Mr. Habben. Are there any questions from the committee? Senator Haar. [AGENCY 13]

SENATOR HAAR: Thank you for being here. [AGENCY 13]

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JON HABBEN: Sure. [AGENCY 13]

SENATOR HAAR: I know that among statewide teachers that one of the top three concerns is behavioral and mental health. Is that also true in rural schools? I mean sometimes we just think of urban schools. [AGENCY 13]

JON HABBEN: Well, it's true in rural schools and it's complicated by the location of the help that you might want to access. And when you put, let's say, for example--and I think, Senator Bolz, you were working on this--including mental health issues within special education and making it subject to the reimbursement, I think on the one hand, at least the superintendents that I work with, yeah, the issue is there, it's important, it's critical. We're seeing more and more of these issues, but access is a problem. Does that suggest additional funding reimbursement for special education services? Certainly it does. But the short answer is, yes, it matters in rural as well. [AGENCY 13]

SENATOR HAAR: Good. Thank you. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Mr. Habben. [AGENCY 13]

JON HABBEN: Thank you. [AGENCY 13]

DAVID LUDWIG: (Exhibit 5) Good afternoon. I'm David Ludwig, D-a-v-i-d L-u-d-w-i-g, executive director for the Educational Service Unit Coordinating Council. Prior to July 1 of 2014, I served as the chief administrator at ESU 2 for the past four years. And it's in this capacity that I want to share my thoughts and support for funding within the Department of Education. Following the passage of LB1103, a clear path, direction, and structure has been provided for the Nebraska educational system. This is reflected within the statewide vision, "Every Nebraskan educated for success," and the mission

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which reads, provides Nebraskans the opportunity to acquire the necessary skills and knowledge to be productive individuals. Now the vision within the Coordinating Council is defined in statute, 79-1246, which provides the council shall work towards statewide coordination to provide the cost-effective services for students, teachers, and school districts in each educational service unit. And the council's duties include, but are not limited to, preparation of strategic plans, administration of statewide initiatives, and coordination of distance education. And following the review, revision, adoption of Rule 84 several years ago, it's the regulations for accreditation of ESUs, strategic planning sessions with NDE and ESUCC are scheduled in October and April of each year. And through the analysis of the data and priorities regarding core services, three focus areas were adopted, including BlendED Learning; data, as we heard from today; and the teacher/principal evaluation. And through this collaborative and cooperative leadership, a path of continuous improvement is being developed and implemented for the 307,000 public school students within the state. And this level of effort can best be defined in two phases of development: technology infrastructure, which includes the data that again we've been talking about today; as well as delivery of instruction. And as you consider the continued development of each, resources to include personnel and funding are most important. And as we reflect upon the needs of the 307,000 students in the state, it's important to note, and I think Matt alluded to it earlier as well, the uniqueness of Nebraska. But we have 71 percent, 71.2 percent of our Nebraska students that receive instruction within an area located from Columbus east and Columbus south. That encompasses ESUs 2 through 7, 18, and 19. So within the southeast corner of the state, a majority of all public school students receive instruction. So the question is, how do we continue to provide the structure for equal and equitable educational opportunities for all students within Nebraska, not just on the east side in our metro schools but also Hyannis, McPherson County, Harrisburg, and so on? As a Nebraska Department of Education and the ESU Coordinating Council continues to provide the leadership in meeting the 307,000 students, resources to include personnel and funding are significant to meet the expectations as defined within the statewide division...or statewide vision. Upon review of the ESUCC core funding for the past five years, in

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2010, and you have a copy of this on the last page of your...of the information I provided for you, but we had a 5 percent reduction following the 2010 year with a 0 percent increase in core funds each year thereafter. And as we continue to work collaboratively with NDE with the three statewide initiatives, BlendED Learning, distance...or data, as well as the teacher/principal evaluation, it takes resources. It takes funding necessary with that. Along with the data, we're working closely with NDE to develop single sign-on identity management, student privacy security, backup redundancy. We've talked about the LOR/LMS (phonetic). The list goes on. Within the ESUCC I have one person, Scott Isaacson, that has been working on that with any help that he can get from others, but we don't have the capacity at this point in time to continue that. So any increase in core funding would greatly assist with that as well as your thoughts and considerations for what we've heard today on data as well as the e-learning project. So again, as we consider the needs of our 307,000 students and the statewide vision, support for continued funding or enhanced funding to meet our needs is going to be greatly appreciated. So, be glad to take any questions you may have. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Mr. Ludwig. Are there any questions from the committee? Senator Haar. [AGENCY 13]

SENATOR HAAR: You mentioned data and we've heard a lot about that. [AGENCY 13]

DAVID LUDWIG: Uh-huh. [AGENCY 13]

SENATOR HAAR: Is it the collection, the ease of collection of data, the use of data, all of the above? [AGENCY 13]

DAVID LUDWIG: Yes, all of the above. You know, right now within...we have staff developers who have been working with school districts as far as a continuous improvement process, which includes the use of data. But right now, to get the Data Dashboard up and running, Scott Isaacson, who is my one person, has been working

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closely with NDE to try to put that in place. But again, all the different components within that, including single sign-on, identity management, and the list goes on, is all inclusive, so. [AGENCY 13]

SENATOR HAAR: Gotcha. Thank you. [AGENCY 13]

DAVID LUDWIG: Yeah. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Mr. Ludwig. [AGENCY 13]

DAVID LUDWIG: Thank you for your time. [AGENCY 13]

JOHN SPATZ: Good afternoon. Senator Mello and members of the Appropriations Committee, my name is John Spatz, but it is spelled S-p-a-t-z, and it is pronounced "spots." I'm the executive director of the Nebraska Association of School Boards and I'll be very brief. We represent every school district in the state with the exception of one and the ESUs. And I'm not going to be repetitive about anything that's been said so far, but I do want to add my voice to the list of folks talking about the data concept. And I think the ESUs and the NDE are great partners and there's a lot of work being done. And I know we're not going to get there in one fell swoop. It's going to take some time. So I would encourage this committee to continue collaborating with NDE, with Commissioner Blomstedt, to move forward to set up a plan to get us to where we need to be datawise somewhere down the line. We would be very supportive of that concept. And one thing, in response to Senator Haar and Senator Bolz had questions about mental health and behavioral health, that's something that we've been hearing a lot more of lately. Really it's expanded exponentially it seems like over the last few years in the fact that we have had questions from this committee to the education folks, as an example of that. And in fact, we just had a discussion this morning with a private sector group about providing training this summer for mental health and behavioral health. It's

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something that is going to be very important for this committee to collaborate with the Department of Education, other entities out there to keep an eye on this. It's something that we're working on through our whole child project right now but appreciate those questions. And with that, I'd be happy to answer any questions. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Mr. Spatz. Are there any questions from the committee? Seeing none, thanks, John. [AGENCY 13]

JOHN SPATZ: Thank you for your time. Thank you. [AGENCY 13]

VIRGINIA MOON: Senator Mello, members of the committee, my name is Virginia Moon, V-i-r-g-i-n-i-a, Moon, M-o-o-n. I'm here representing the Nebraska Council of School Administrators and we, too, are here to talk about and in support of the appropriations as they've been spoken about today. I did think a little bit about my testimony when I was sitting back there and I wondered if I could just come up here and say ditto and...because really I don't want to be repetitive. But I do think that it would be helpful perhaps for the committee to think about especially the additional appropriation for data or the appropriation for data as the lifting of a burden from school districts, because really school districts said, for us, technology, data, all of that really comes into two categories. We've got those that are using technology to try to be a tool in the classroom to provide instruction to help students know how to use it, to use it for distance learning, all of those sorts of things. It's easy for school districts to find people who can take curriculum and adopt it and adapt it and help teachers learn how to use it as an instructional tool. But the management and the manipulation and the collection of and the analysis of the kind of data that we're being asked to collect is way beyond the expertise of schools. And in order to hire the people who can do that, that takes a way different kind of recruiting strategy of the kinds of skills that's necessary to do that. And so I think we heard Matt talk a lot about leadership and support, and I think it would be helpful that an appropriation in the area of technology and data analysis, collection, whatever, would not only help school districts in this collection of data for big reporting

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and proving this or that or whatever it is that we have to do with that big data at the state level but also in creating some models about how do we collect that data. What are the models for collection of data that is easy for teachers to use to analyze instruction, to make good decisions about curriculum and those sorts of things? And right now everybody is doing their own. It takes a lot of time and energy and I believe that having that leadership from the state level and the lifting of the burden for the big data would certainly help school districts. I'd be remiss if I didn't say that early childhood is very, very important to school districts and we certainly would like to see that be a stable source of income so that those programs can grow and flourish and prosper. With that, I'd be happy to answer any questions. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony, Dr. Moon. Are there any questions at all from the committee? Senator Haar. [AGENCY 13]

SENATOR HAAR: Yeah. And of course I was on the Education Committee for six years so I have lots of questions. I hope somebody will come and talk to me about I just heard little bits and pieces about the data and I'd like to get the bigger picture. [AGENCY 13]

VIRGINIA MOON: Okay. I'm sure we can get someone who can do that. [AGENCY 13]

SENATOR HAAR: Thank you. [AGENCY 13]

VIRGINIA MOON: I tried to think, the analogy of everybody kind of building their own, I couldn't figure out a good analogy. And there's lots of men on the committee so it might not be a good one. But where we are right now is a lot like trying to untangle a necklace. If you've every tried to do that, the chains get all messed up and the more you try to get it untangled, the worse it gets, and so in terms of how we're handling technology from 250 different districts. [AGENCY 13]

SENATOR KINTNER: Yeah, I do have a question. [AGENCY 13]

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SENATOR MELLO: Senator Kintner. [AGENCY 13]

SENATOR KINTNER: If we're talking about collecting data and I don't...maybe I should have asked someone else this, but if we're talking collecting data, you know, we want test scores and things along those lines, they're going to report them, how tough can it be? I mean you know, as a teacher, we just enter our grades, it goes. I mean that was pretty simple software. But if we're just taking off at one school district and sending it in and then capturing it and then being able to post it so people can use it, how difficult is that? I mean I'm trying to figure out? I mean I got to think some college kids could design that (snaps fingers) like that for almost nothing. [AGENCY 13]

VIRGINIA MOON: You know, I think that it seems like it should be that way but that's not the way it is, because it has to come in, in exactly the same format from every single district or you can't look at it together. So if I call World Civilization World Civilization, and you call that Medieval History or something like that, then when that comes in we can't look the data because it isn't the same, how we collect it. It could just be a word or two different. We could say physical education and somebody says PE. Well, then if you don't all enter it the same way and the fields aren't set up right, then you don't look at all the physical education together because you've got these...all these different things. It is so complicated to put in that data from 250 different sources. But I think the more important data is the data that was spoken about here earlier and that's the data we collect every day, and not to say too much about state level and federal level data, but how do I make a decision about where are my 22 children in terms of where are they on their phonemes and where are they on their math facts and how much algebra do they know and how do I make my instruction better tomorrow because...and those are all hundreds and thousands of pieces, little pieces of data that then you need to be able to get back and look at in an organized fashion for a teacher. So even though it seems like it would be easy, if all we want to know is how many kids come to school, what kind of grades did they get, and how did they score on a test, should be pretty easy. But that's

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not what data can do for us in education. It can help us do a lot better job with things if we collect more complex data and know how to use it. Is that a long answer to a short question? [AGENCY 13]

SENATOR KINTNER: No, that's a good answer to hopefully a good question. [AGENCY 13]

VIRGINIA MOON: Okay. [AGENCY 13]

SENATOR KINTNER: Thank you very much. Appreciate it. [AGENCY 13]

SENATOR MELLO: Thank you, Senator Kintner. Are there any other questions from the committee? Seeing none,... [AGENCY 13]

VIRGINIA MOON: Thank you. [AGENCY 13]

SENATOR MELLO: ...thank you, Dr. Moon. [AGENCY 13]

JAY SEARS: (Exhibit 6) Good afternoon, Senator Mello and members of the committee. For the record, I'm Jay Sears, J-a-y S-e-a-r-s, and I'm here today representing the Nebraska State Education Association. NSEA is in support of the budget request the Nebraska Department of Education has made. Specifically, we want to highlight our support for three areas: building data capacity, which we've just talked about a little bit; the continued support of the Excellence in Teaching Act; and the teacher/principal effectiveness administrator slot in the department's budget. NSEA does support all of the requests that the department has and we know that they've set priorities to support the systems educators need to guarantee that every child receives the opportunity to obtain an education that will prepare them to face the challenges that they'll face throughout their lives. That system of supports cannot be successful unless the department has data systems to inform them, school districts, schools, and educators

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about the important information they will need to make instructional changes that benefit students. We realize that building the data capacity is a big ticket item, if you want to call it that, in a budget request. But without the data systems to inform our decisions, we may be making educational decisions that are even more costly in the years to come. The NSEA strongly supports maintaining the Excellence in Teaching loan forgiveness program. We're willing to work with the Appropriations Committee and the Education Committee to develop a plan to provide for a transition from current funding sources--the lottery proceeds that we've just heard about--to General Funds over a period of years. This would allow lottery funds to then be used to incentivize innovative programs and educational practices that is the vision of the Education Committee. And our third highlight is supporting the department's request to fund the teacher/principal effectiveness administrator position to coordinate the implementation of a new performance-based evaluation system for teachers and principals. Research tells us that without effective leaders and effective teachers in the school, student achievement does not improve. Nebraska needs a coherent evaluation system that provides the data we need to improve instruction for every student every day. Thank you for the work that you do and for this opportunity to testify in support of the Nebraska Department of Education's budget request. Thank you. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Mr. Sears. Are there any questions from the committee? Senator Haar. [AGENCY 13]

SENATOR HAAR: Jay, how many teachers do you represent? [AGENCY 13]

JAY SEARS: (Laugh) I knew you would ask and I didn't put it in the testimony to see if you caught that. I represent 28,000 educators as members of the Nebraska State Education Association. Thank you, Senator. [AGENCY 13]

SENATOR HAAR: Good. Well, I've never heard you talk and not bring that fact up, so thank you. [AGENCY 13]

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JAY SEARS: It's a different committee, so. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Jay. [AGENCY 13]

JAY SEARS: Thank you. [AGENCY 13]

JAN McKENZIE: Senator Mello, members of the Appropriations Committee, I'm probably a surprise testifier today. For the record, my name is Jan McKenzie, spelled J-a-n M-c-K-e-n-z-i-e. I'm a registered lobbyist for the Nebraska Association for the Gifted, but I'm here to give you a little background on the high-ability learner funds. In 1994 the Legislature passed a bill, LB647, that required school districts to identify high-ability learners. We were one of only a few states, and particularly the states around us, that paid no attention to whether or not we had kids at the top end of the bell curve. So I would talk to teachers who would say, we don't have any gifted kids in our school, and yet some of those kids were ending up in programs that said they were behaviorally disordered or behaviorally underachieving or they were dropping out or causing problems, because they were not being challenged. So the Legislature at that point put in place requirements for schools to find the children, because if we didn't know if we had them, we didn't know what we should do with them or if we should fund it. So in 1997 the Legislature appropriated...past a bill to appropriate funds to be distributed to school districts at the amount of \$6 million a year, which is what you see in the Education Department's request. The current funding is at only about \$2.2 million. After the bill was passed, the Governor vetoed it to an amount of \$3 million, and so the program got started at that amount. And basically, the funds are distributed in a manner that a school gets a base amount which is available to them to provide teacher training, so that teachers can go to workshops or to conferences to learn how to make their curriculum different. And here's how I ended up in this place. As a classroom teacher, I found I had kids in my class who knew every word I was supposed to teach them in

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spelling, who knew how to multiply and divide in 2nd grade, who read the science book for free reading, who knew everything I was supposed to teach them at the beginning of the school year, and I was lost. No one in my teacher education had prepared me for that and I scrambled. I took courses through what was then Kearney College to figure out how I could do things differently. I learned how to pretest my class to see where kids were so I could modify my teaching for the kids who knew the material already, to be able to move on or do something different, and the kids who needed to learn it could learn it. We do this in sports all the time, so we can do it in the classroom. And that's essentially what the high-ability learner funds have been doing for the last 15 years or so. And so personally and on behalf of the association, we would highly recommend that the Appropriations Committee put the funds back in General Funds. We believe it is something that this state should be doing. If we say every student every day then I believe we should mean every student every day. Even those who may have already learned what we can call mastery, they shouldn't just have to sit there for the rest of the school year wondering why am I hearing this again, why am I doing this again. And nor should they be required to be a teacher for other children all day long, because that is not an appropriate education for them. So I know that the amount requested is higher than what was currently appropriated and I know I've had conversations with Senator Sullivan and members of the Education Committee and with Senator Mello and members of this committee privately about finding a correct amount and finding an appropriate place. But I believe personally it's a very important program. I know from my experience. And if you would like to receive letters or phone calls from parents and kids that will agree, I'd be happy to help that happen. So I'd answer any guestions you might have. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Ms. McKenzie. Are there any questions from the committee? Senator Kintner. [AGENCY 13]

SENATOR KINTNER: Well, hi. [AGENCY 13]

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JAN McKENZIE: Hi. [AGENCY 13]

SENATOR KINTNER: Thanks for coming out. I guess my question is, I just thought of it while you were speaking. I probably could have asked somebody else. Why should this be paid for out of General Funds versus lottery funds? As long as it's paid for, why would you care? [AGENCY 13]

JAN McKENZIE: Well, quite honestly it was originally a General Fund appropriation, and we think it's something that the state should...I personally think it's something the state should see as an important part of its education for all children. Now we went along with the idea of moving it to lottery funds because rather than completely lose the programming that was out there for kids, opportunities to provide distance learning, an AP class, a physics class in rural Nebraska on-line, or other opportunities that aren't there for rural kids, we think it makes sense as a part of that. But if that's where it has to go back to, as long as it stays somewhere, I think that the parents and teachers would...can live with that. But I believe that in the bigger picture of things, it ought to be viewed...in Kansas, in fact, it's included in special education funding. They consider it a part of special education because it requires something different happen for a child. So I don't necessarily personally believe it should be over here as like a "something," like a grant. It really is a key component to a lot of very talented kids. And we have a lot of talented kids in Nebraska. [AGENCY 13]

SENATOR KINTNER: As you can imagine, we have probably four times the requests than we do the money, if you look at every program that everyone is advocating. [AGENCY 13]

JAN McKENZIE: Yeah, we don't ask for a lot. [AGENCY 13]

SENATOR KINTNER: So I'm trying to think outside the box, how do we fund everything, how do we make priorities, so. [AGENCY 13]

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JAN McKENZIE: You could give us all of the lottery cash funds and we'd be perfectly happy. (Laugh) [AGENCY 13]

SENATOR KINTNER: (Laugh) I bet. Thank you very much. I appreciate you coming in today. [AGENCY 13]

JAN McKENZIE: I know that would not make some other people happy though, who also have very worthy causes. Anyone else? [AGENCY 13]

SENATOR MELLO: Any other questions? Thank you, Jan. [AGENCY 13]

JAN McKENZIE: Thank you. [AGENCY 13]

TED STILWILL: (Exhibit 7) Good afternoon, Senator Mello, members of the committee. I'm Ted Stilwill, T-e-d S-t-i-I-w-i-I-I. I'm the CEO from the Learning Community of Douglas and Sarpy County. In case you're wondering what the Learning Community is doing here along with...I'm supported by the chair of our Coordinating Council, Lorraine Chang, who's here as well, there is a line in the Department of Education budget that provides an appropriation for the Learning Community. What it does, it provides the overhead costs for the operation of the Learning Community and allows the program monies that we generate through the Elementary Learning Center levy to go 100 percent to support the programs for children and families and for the community in general. Today's Learning Community is really about providing better educational finding and demonstrating and proving better educational solutions for kids in poverty. That's a growing issue, if you're wondering. I think probably everyone is inclined to want to be helpful to families from ... and children who come from families in poverty, but this is a growing issue in Nebraska. I'd add to the statistic that Senator Haar mentioned from First Five. My new favorite statistic, maybe not favorite but I believe is an interesting one, it's from the census data. If you all would imagine the population of families in

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Nebraska and then narrow that down to the families who have kids under six years of age, and then imagine that group and within it the families living at 50 percent poverty or less. That population of families living at 50 percent of poverty or less is growing ten times faster than the rest of the prekindergarten population. That's going to have ramifications for you as you deal with appropriations for health, for human services, as well as education, because that's the group, it's at that level, when you start seeing adverse conditions kick into those families with contact sexual abuse, recurrent physical or emotional abuse, alcohol or drug abuse, incarcerated family members, and so on and so on and so on. There's a long list of those risk factors. But what the presence of four or more of those risk factors gets you as that prekindergarten child emerges and grows up, you get an adult who's attempted suicide nine times more frequently than the rest of the population, 50 percent more likely to smoke tobacco, twice as likely to have heart disease, 16 times more likely to inject illegal drugs, and so on and so on and so on. That growing population and the challenges it presents for education are the kind of solutions that the Learning Community is trying to be about. Our appropriation covers, as you might imagine, the overhead or the administrative costs. It deals for how we help the little we do to manage open enrollment and the promotion of open enrollment. We now have significant responsibilities in managing our North Omaha Community Center. But general administrative support, my salary, the salaries of our finance person and so on, that's really what we're about. That enables us to use our funds from the Elementary Learning Center levy to provide offerings, educational offerings to children, families, and teachers, 8,000 in number across nine school districts and four different community organizations in metro Omaha. Several hundred of those families are served out of the North and South Center. It also allows us to provide support. The Learning Community Coordinating Council will approve a contract next week with the Buffett Early Childhood Institute to support the superintendents' early childhood education plan--a dramatic and interesting effort to provide education program support for families with kids birth through three, home visiting programs with strong three- and four-year-old programs for preschool kids; and a strong K-3 curriculum emphasis so it will be a welcoming place for those kids to succeed in prekindergarten. That's what your appropriation allows us to

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do. We would urge you to continue to provide that support. Happy to answer any questions that you might have. [AGENCY 13]

SENATOR MELLO: Thank you, Mr. Stilwill. Are there any questions from the committee? Senator Kuehn. [AGENCY 13]

SENATOR KUEHN: Thank you, Chairman Mello. Will your program have any unexpended funds at the end of the fiscal year? [AGENCY 13]

TED STILWILL: We will. The original appropriation for the Learning Community, the appropriation we're receiving this year is about \$725,000. The original appropriation was over \$1 million. That was probably more than was necessary and we're spending that down now. But at the rate of \$725,000, we will pretty much be at a break-even point in about two years. So we're spending down that level of appropriation. I think our projected carryover for this year is about \$300,000, if I remember correctly. [AGENCY 13]

SENATOR KUEHN: Thank you. [AGENCY 13]

SENATOR MELLO: Senator Stinner. [AGENCY 13]

SENATOR STINNER: I need a lot of help on understanding the Learning Community. I come from a district also with a high level of poverty. I think we're eighth. [AGENCY 13]

TED STILWILL: Yes, sir. [AGENCY 13]

SENATOR STINNER: Eighth lowest or eighth highest, I don't know how you put that. Every one of the grade schools in Gering are Title I schools and I think Scottsbluff is the same way except for one grade school. So what makes you guys so special that you would have a Learning Community versus...and appropriations over and above what we

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get out west? Tell me... [AGENCY 13]

TED STILWILL: Well, some... [AGENCY 13]

SENATOR STINNER: ...tell me why it was set up, what this is all about. [AGENCY 13]

TED STILWILL: I can give you some of the story, and some of it is around the needs such as you identified, but some of it is also some history. There was an interesting little boundary dispute in 2005 between the Omaha Public Schools and some of the neighboring districts that, frankly, it took the Legislature to resolve. And so it was, to some extent, the Learning Community, the legislation, was sort of a treaty to solve that problem and they put in place an open enrollment program, a common levy, and the elementary levy that I referred to. And they established something called the Learning Community. It's...the legislation is constructed in such a way it can happen in other places. It's called "learning communities" in the law. So the same kind of collaborative effort could be put together at other places in the state. I do think that the degree of poverty, particularly in north Omaha and south Omaha, is somewhat unique. But those kind of issues and those kinds of problems with deep poverty, as I mentioned in that first statistic, are no longer unique to the eastern part of Douglas County. Just as you mentioned, Senator, districts across the state are starting to see that kind of poverty. And actually, the mental health issues that were connected to that, that also came up in those discussions, I have every reason to think that the degree...as the degree of deep poverty increases, the increase in those mental health issues is not coincidental. It isn't something in the water. It's because of that high poverty and those adverse conditions. Those mental health conditions start when kids are very young. I'm hearing administrators all over the state say the same thing: We need help with mental health. We may be nationally expelling more kids or getting rid of more kids from preschool programs than middle school programs because of behavioral issues. [AGENCY 13]

SENATOR STINNER: Let me ask you this. The Coordinating Council operations, who

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are those people and how many are in that council? [AGENCY 13]

TED STILWILL: Thank you, Senator. It's...we have a Coordinating Council composed of 18 people. The Learning Community are the two county areas divided into six subdistricts and the members of the Coordinating Council come from...three of them come from each one of those six subdistricts. That's how we get to 18. Two are elected in a general election, one is appointed by the...one is a school board member appointed by the school board or school boards in that subcouncil. So that's how we get that group assembled. They meet about once a month and manage the programs that I've described. [AGENCY 13]

SENATOR STINNER: All of them paid positions or ...? [AGENCY 13]

TED STILWILL: None of them are paid positions. [AGENCY 13]

SENATOR STINNER: Okay, good. Open enrollment management and promotion, open enrollment means that they...that somebody from south Omaha can go to north Omaha or south Omaha can go to Millard? [AGENCY 13]

TED STILWILL: Open enrollment is very much like option enrollment in the rest of the state. [AGENCY 13]

SENATOR STINNER: Okay. [AGENCY 13]

TED STILWILL: What distinguishes it is that there is a priority on families who come from poverty. They have a little better chance of getting a slot in a school district to which they're applying and, another big distinction is, they will be eligible, if they're going to the next contiguous district, the neighboring district, they may be eligible for free transportation to that district if they're contributing to the socioeconomic diversity in that school. [AGENCY 13]

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SENATOR STINNER: I would think that there would be a demand on certain schools. Is there a quota in certain schools? I don't know how many... [AGENCY 13]

TED STILWILL: There is a...great question. There is a process within the Learning Community where every district describes the capacity and projects the capacity so they don't have to hire new teachers and they don't have to build new buildings. So if they have room they can take students. And frankly, in terms of the business plan, because I was involved in the operation of a school district for some time, it's like if you have empty rooms in a hotel or a hospital. And if you can book those rooms and you don't have to build new rooms or add new staff, it's a great thing for your business plan. And two or three of the districts within the Learning Community benefit greatly. They would have benefited, I think, under option enrollment as well and had longstanding patterns, but they continue to benefit from that. [AGENCY 13]

SENATOR STINNER: And it says here without the appropriation the Learning Community would have to rely on Elementary Learning Center levy to fund the operational and administrative costs. What is that levy? It's something that I'm not familiar with. [AGENCY 13]

TED STILWILL: Yes, sir. The governing board that I described is authorized by the Legislature to levy just as a school board or other local body may be authorized to levy against property values in the district. The elementary levy is currently levied at 1 cent. That generates \$5 million approximately, \$4.9 (million), for the elementary programs that I described. They're things like after-school programs, Kindergarten Jump Start, instructional coaching, and also for the operations of the centers. We have a center at south Omaha that serves Latino parents of five- and six-year-old kids so they can learn English and parenting skills as well as school engagement skills. They've been very successful programs, very successful centers, and have demonstrated some things that are not in very common practice in school districts or how to do them a little better and

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more effectively. And consequently, the school districts, the superintendents, for example, this fall reported to the education community that they want the Learning Community to continue to do exactly that. [AGENCY 13]

SENATOR STINNER: Okay. Are you at the top of the levy, the 1 cent for...? [AGENCY 13]

TED STILWILL: No, we're not actually. The Legislature two years ago increased the levy authority on the Elementary Learning Center levy to...from 1 cent to 1.5 cent. That will be an additional \$2.5 million. All of that \$2.5 million will go to...superintendents in the Learning Community were required to develop an early childhood education plan and they elected to work with the Buffett Early Childhood Institute to develop that plan. The contract that I mentioned earlier that will be approved, I believe, to work with the Buffett Institute and the superintendents. Most of those programs with take off this summer and next fall and they'll run at least for three years. [AGENCY 13]

SENATOR STINNER: Okay. I'm not sure I got this 100 percent yet, but thank you. [AGENCY 13]

TED STILWILL: It's okay. You asked great incisive questions, so thanks. [AGENCY 13]

SENATOR MELLO: Senator Haar. [AGENCY 13]

SENATOR HAAR: Well, one of the things I was looking forward to, if I'd had stayed on the Education Committee, was the report of the superintendents. Now there's been at least some...some of them believe that schools in the Learning Community are getting less state support than they would otherwise. Has that been resolved or not? [AGENCY 13]

TED STILWILL: It has yet to be resolved. Contrary to popular belief, the 11 school

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districts within the Learning Community receive on an annual basis, it's currently about \$3.2 million, collectively, less than they would have if there was no Learning Community. That's the way the common levy and the funding...the common levy is the property taxes for the collective districts. And the way that levy is configured in conjunction with the TEEOSA formula, as you know, at the end of the day they receive about, collectively, about \$3.2 million less than they would have had there been no Learning Community. And that, of course, amount accumulates year after year after year with now five years of the levy. [AGENCY 13]

SENATOR HAAR: So we're going to hear more from the Education Committee, right, on resolving some of these issues? I mean because the Learning Community is in a state of change. [AGENCY 13]

TED STILWILL: Yes, sir. You will hear more from the Education Committee. Some of the recommendations from the Education Committee will deal with changes in the role of the Coordinating Council. Probably most of the conversation at this moment in time, which may not surprise you, deals with the funding and through the common levy and the way those funds are distributed within the Learning Community districts. If you think the TEEOSA formula is complicated, it's a huge algebra equation, add another algebra equation right next to it and that's the common levy built on some of the same variables. So it's...can occasionally be a little confusing and the end result is hard to define in terms of, "is that what it was supposed to do?" At the end of the day when all these wheels and cogs stop turning, the results don't seem to be what everybody had in mind. [AGENCY 13]

SENATOR HAAR: So it was a model to begin with, but other places in the state, such as Senator Stinner, could, if he needed a treaty--that's an interesting way to put that--... [AGENCY 13]

TED STILWILL: Yeah. [AGENCY 13]

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SENATOR HAAR: ...it could be used in other parts of the state as well, right? [AGENCY 13]

TED STILWILL: It could, yes. I think there are some things that we've learned. As you said, the Learning Community has changed, it's evolved. I think that at the end of the day, the part of the policy that's making the most difference and has the most potential may not have been the primary piece. It's the elementary levy. That's where we're, I think, generating considerable learning about better ways to serve kids in poverty, which is I think a very relevant detail. I don't know that I would say that the common levy is all that instructive: maybe how not to do things or how to do things. But there's a lot to untangle there, speaking of that analogy that Dr. Moon gave you. It's a little bit like that. Open enrollment I think was intended to be a mechanism to produce improvement in student performance. I don't think it's done that. I think it's a great parent choice program. So I think there's a lot to learn. So if a community was going to look at establishing a Learning Community, I think there's a lot they could learn about how they might want to do it now. Might not do it exactly the same way as happened in...when the legislation was completed in 2007. [AGENCY 13]

SENATOR HAAR: Okay. Thank you. [AGENCY 13]

SENATOR MELLO: Thank you, Senator Haar. Senator Kintner. [AGENCY 13]

SENATOR KINTNER: Hi, Ted. Welcome. [AGENCY 13]

TED STILWILL: Hello, Senator. [AGENCY 13]

SENATOR KINTNER: And sometimes we have our differences but I do appreciate your knowledge and your enthusiasm, so. [AGENCY 13]

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TED STILWILL: Thank you, sir. [AGENCY 13]

SENATOR KINTNER: Did I hear you say right that if you didn't get any funding from us you still had funding available in your current levies? Is that correct? [AGENCY 13]

TED STILWILL: Well, what would happen, it would displace funding because you still need a Council, you still need...because you wouldn't have a levy without a Council to vote it in, an elected group to. You don't want to give levy authority to people like me, so you need an elected board to do that. And you need staff to do that and there are about four staff that are supported just on this appropriation: our finance person, person that manages Council operations, and a clerical staff, those kinds of things, and the minimal support we provide to advertising for open enrollment. We provide a Web site that parents can apply on-line, some features like that. But that's essentially what...if you didn't do that then, quite honestly, those expenses would tend to come out of the elementary levy and we would then reduce the programs that are available to kids and families. [AGENCY 13]

SENATOR KINTNER: We've done a pretty good job of staying pretty close to the Governor's budget. The Governor funded you for zero, not one penny. [AGENCY 13]

TED STILWILL: He did. I noticed that. [AGENCY 13]

SENATOR KINTNER: I think you're quite fortunate to have gotten anything out of this committee this year so far. Why do you think the Governor zeroed out your funding this year? [AGENCY 13]

TED STILWILL: I actually had a chance to...Mrs. Chang and I had a chance to meet with the Governor just about three weeks ago. It was a great meeting. We were scheduled for about 30 minutes and it ended up taking about 50. He put off a couple of other appointments. We had a really in-depth conversation. I think, like a lot of people in

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Nebraska, quite honestly, the Learning Community looks complicated and from a distance looks like what's that about, why would you need that. My...I can only guess, I didn't ask him specifically why he didn't choose to put that into his budget, but I...if I didn't know what I know about the Learning Community, I would at least question the need for that. You've had a chance to learn more, members of this committee. Certainly members of the Education Committee, you've had a chance to learn more. I'd have to think that he probably didn't have much of an opportunity, when he was running for Governor and doing other things, to learn about that. [AGENCY 13]

SENATOR KINTNER: So he could contact us and say, hey, changed my mind, keep that money in there. Right? [AGENCY 13]

TED STILWILL: He could. He may have other priorities with the budget. I would understand that too. He has a few moving parts to put together that you're going to have to work with him on. I understand that. But you know, I...when I was in Iowa I looked back on the first part of this meeting and I have to tell you, I was head of the Department of Education in Iowa for...or deputy for about 17 years that I came to these kinds of meetings. You didn't hear anything I hadn't already heard from all those folks before and we hadn't heard for quite a while. So I understand what it takes to put a budget together and I appreciate your responsibility in doing it and his responsibility in moving forward. But at the end of the day, there have to be some trade-offs but I think there are legitimate things that need to be funded, that need to move forward, and I'd like to think we're one of them. [AGENCY 13]

SENATOR KINTNER: Thank you, Ted. Appreciate it. [AGENCY 13]

TED STILWILL: Sure. [AGENCY 13]

SENATOR MELLO: Senator Hilkemann. [AGENCY 13]

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SENATOR HILKEMANN: What is the actual budget of just the Learning Community? [AGENCY 13]

TED STILWILL: It's approximately...you take...at the current moment what you would do is simply add to the elementary levy, which is about \$4.9 million, and add to that the appropriation, which is \$725,000. We have about \$300,000 in carryover. So in round numbers, if you'll forgive me that or allow me that, it would be about \$6 million. [AGENCY 13]

SENATOR HILKEMANN: So \$6 million dollars. How many people are actually employed by the Learning Community at the present time? [AGENCY 13]

TED STILWILL: Six. [AGENCY 13]

SENATOR HILKEMANN: Okay. [AGENCY 13]

TED STILWILL: The four people I mentioned and then there's two people that work, one works out of the north center that does family engagement, and a person who heads the other elementary programs that I mentioned. [AGENCY 13]

SENATOR HILKEMANN: And you have a facility in north Omaha and a facility in south Omaha. Am I correct? [AGENCY 13]

TED STILWILL: And those are both leased facilities. [AGENCY 13]

SENATOR HILKEMANN: Leased facilities. Okay. So this appropriation of \$725,000 that you're asking for constitutes a little over 10 percent of your budget. [AGENCY 13]

TED STILWILL: That's approximately correct. [AGENCY 13]

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SENATOR HILKEMANN: Four persons... [AGENCY 13]

TED STILWILL: Off of this appropriation? Yes, sir. [AGENCY 13]

SENATOR HILKEMANN: ... and two buildings. [AGENCY 13]

TED STILWILL: And the buildings are really not... [AGENCY 13]

SENATOR HILKEMANN: Leased. [AGENCY 13]

TED STILWILL: ...paid for from this appropriation. The management of the buildings, particularly the center in north Omaha, we manage the build...the same four people that I mentioned essentially provide the management for that building. We have classes in there that are community college classes. We have a couple of early childhood classrooms, but they're...those are run by Educare. We use them as clinical sites for Metropolitan Community College, early childhood classrooms for UNO, Creighton, as well as it's a community center that we use for activities for neighborhood organizations but particularly for training adults, childcare providers, training parents, and training educators at that site. [AGENCY 13]

SENATOR HILKEMANN: Thank you. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank, Ted. [AGENCY 13]

TED STILWILL: Thank you, sir. [AGENCY 13]

JOHN SKRETTA: (Exhibit 8) Good afternoon, Senators. My name is John Skretta, that's J-o-h-n S-k-r-e-t-t-a, and I am the superintendent of the Norris School District just south of Lincoln. We're southern Lancaster County, part of Gage, and part of Otoe Counties.

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I'm here today on behalf of the Norris schools and also as the delegate superintendent representing STANCE. STANCE stands for Schools Taking Action for Nebraska Children's Education. We are a consortium of 15 member districts that are midsize school districts in Nebraska, just working to advocate for best practice and equitable resources for all of Nebraska students. And I just wanted to share a couple things with you today. Myself, as Norris superintendent, I'm one of the folks who was invited by Dr. Valorie Foy, the state assessment director, to serve on the Accountability Task Force. So I've had the opportunity to have an up-close vantage point on the development of the new state accountability system, AQuESTT, of which you received some information on earlier today from Commissioner Blomstedt. And a number of other folks testifying have provided some insights into what that's all about. And we think, as STANCE districts, it's really important to support those efforts. We believe Commissioner Blomstedt is bringing a great vision and bringing along the State Board of Education and Nebraska schools to provide us with something that's really pretty special in terms of accountability programs. And the way Nebraska is going about it is the right way to do so and I think pretty exceptional nationally in that it's been very collaborative. It's involved practitioners in public schools, and it's connected with this ADVISER Data Dashboard Program which you've also heard referenced and which we will be one of the pilot districts for. I think that the toughest task before you, and I don't envy it, and I know why Senator Kintner and others would be wanting to power down some Monster Energy drink to (laugh) to work through the challenges before you, any little boost to sift through that, because it's like it's a giant Dagwood sandwich and we never take any ingredients out and we just add more to it. And I'll mention a couple of those things that are ingredients in that sandwich at Norris that make a big difference. High-ability learners, you've heard about it, it's impacting 500 kids in the Norris School District every year. Granted, we serve 2,100 students; 500 of them qualify as high-ability learners, so we're sort of like Lake Wobegon that way, right? All our children are above average. I'm not sure. The analogy breaks down at the point where all the men are good looking. But early childhood, we've expanded our early childhood programs in the last few years. We would not have been able to do that without the support of the Nebraska Department of

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Education and an early childhood expansion plan that allowed us to grow by a classroom, add a couple sections. And we targeted the low-income, ELL. We targeted parents who were...the kids who were of families where the parents were 18 or under. We looked at those risk factors and tried to help those kids and have grown our preschool program accordingly. Really, just in conclusion, the challenge before you is with the Nebraska Department of Education. We can't reasonably ask them to stop doing anything. We seem to ask those folks and rely upon their good service to continue to do more all the time. And I just wanted to, on behalf of the STANCE districts, acknowledge the complexity and the difficulty of that challenge that's in front of you. And thank you for supporting good old Agency 13, the Nebraska Department of Ed. [AGENCY 13]

SENATOR HILKEMANN: Thank you, Dr. Skretta. Are there questions from the committee members? Senator Stinner. [AGENCY 13]

SENATOR STINNER: I know somebody asked this question a while back a way but a couple weeks ago but when I sat on the Gering School Board, we were dealing with STARS. What happened to that program? I mean that was a big initiative to accumulate data to effect change,... [AGENCY 13]

JOHN SKRETTA: It was and I think the... [AGENCY 13]

SENATOR STINNER: ...coordinate curric... [AGENCY 13]

JOHN SKRETTA: ...I think one of the great things that came out of STARS, and that was during the Commissioner Doug Christensen era, and we saw a great growth in assessment literacy among teachers. I think that's the biggest thing. And what I mean by that is teachers who know a lot more about how to write really good test items and who know better than ever about how to align their questions on assessments with the standards. I think that that actually continues to pay some dividends in Nebraska

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classrooms. What I see having evolved in Nebraska, Senator, is that we went to NePAS, and NePAS is basically a ranking system with the state tests, and the NeSA tests. And while that provides us information, it doesn't provide us great information that can really inform our instruction. And where I see the Commissioner going and what I see NDE working hard to do in assessment is actually synthesize the best of both those worlds so you don't have just a simple ranking system. You've got an accountability system but it's also informed by data. And that Data Dashboard, Dean Folkers is working on that project at NDE and we've seen...I've gotten to see some screen shots on it and it's pretty sweet. I mean I'm not going to say it's <u>Star Wars</u> level sweet, but it's pretty neat as far as providing some really great at-a-glance data that can help teachers know, hey, here's where my kid sits relative to these standards. [AGENCY 13]

SENATOR STINNER: So you're going to use that to say the teacher is teaching at an appropriate level so the kids are getting it? Is that... [AGENCY 13]

JOHN SKRETTA: Yeah, exactly, and that we know what the level of rigor ought to be, because we've got great state standards and... [AGENCY 13]

SENATOR STINNER: And the school board would take those state standards and compare their school to those standards and say how come we're not there. [AGENCY 13]

JOHN SKRETTA: Yes. And you know, we used to try to do that with STARS and the thing that broke down with STARS is every single district developed their own assessment and so the comparability question came up, whereas with NeSA you have, hey, it's one standardized, statewide test. So at a glance you at least get that measure to say there is comparability there. And this new system is going to look at growth, improvement, and those are really key things, but it's also going to measure status, just, hey, how you doing; you know, where, relative to your total student population, how are they performing on those standards? [AGENCY 13]

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SENATOR STINNER: It could change the level of curriculum or the...or your curriculum could get adjusted, could get coordinated. One of the things we found is our math curriculum was not consistent from K through 12. [AGENCY 13]

JOHN SKRETTA: Yes. And you know, we've been doing some work at Norris where you look at like the table of specifications on the NeSA test to make sure that you're really dialed in instructionally and that your curriculum is in fact teaching what's assessed, because we're all responsible and accountable to doing that. That's one of those things I think is a good thing with accountability--you got to work at it all the time. [AGENCY 13]

SENATOR STINNER: Thank you. [AGENCY 13]

JOHN SKRETTA: Thanks. [AGENCY 13]

SENATOR HILKEMANN: Any other questions? Seeing none, thank you very much, Dr. Skretta. [AGENCY 13]

JOHN SKRETTA: Thank you. [AGENCY 13]

JOHN THOMSEN: (Exhibit 9) Senators, thank you for hearing my testimony today. My name is John Thomsen, J-o-h-n T-h-o-m-s-e-n. I'm here today representing over 300 members of the Nebraska Association for Gifted, a nonprofit in Nebraska since 1957 whose mission is to be an advocate for K-12 students in Nebraska's public and private schools and the teachers and parents that teach them. The current Nebraska lottery funds will sunset June 30, 2016. The Education Committee recommends and the Nebraska Department of Education recommends continuing funds for students of high ability or gifted students in Nebraska. My association that I work for, the Nebraska Association for Gifted, its members and the students that they serve also recommend

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and encourage funding for high-ability students. High-ability learning funds in Nebraska provide resources for some of the most innovative practices in the state. One of Nebraska's most precious resources and underserved populations are the gifted or high-ability students. The myths of gifted education really are common, such as a myth that would say high-ability students don't need help, they'll do fine on their own. It's simply not true. The literature is very clear that gifted students are a subset of students that need additional and specialized opportunities or the talents are lost or minimized, especially in adolescent girls. Or perhaps the myth that would say teachers challenge all students, so gifted kids will be fine in the regular classroom. Well, my answer is, maybe. Teachers face a really large population in their classroom with diverse needs, and demands on the teachers' time to serve all students are often impossible, and the high ability are usually the first group to be left out while trying to bring others to a minimum competency. So what is it that's going to be lost with no funding for high-ability students? Let me give you some examples of some programs and actions of schools that will be in jeopardy. For example, science, technology, engineering, math, or STEM Programs like the Nebraska Science Olympiad, will be cut. Programs in accelerated math, like the Math Counts Program as part of National Engineers Week, has the potential for being cut. Literacy programs for above-average grade-level readers, like the Junior Great Books Program, could be cut. Robotics programs like those supported by UNL, 4-H, LEGO Leagues, or the UNO CEENBoT Programs, or the VEX robotics exercises and competitions could be cut. Distance learning exercises that are part of the Nebraska Distance Learning Association could be cut. Attendants say computer programming workshops for female middle school students, like UNO's College of Information, Science and Technology Immersion Program, called the CodeCrush, will not be attended. Acceleration programs for middle school students that need bus transportation to the local high school that could provide journalism, science, math options that the middle school just cannot provide could be cut. Entrepreneurial challenges hosted by high-ability programs in the form of Invention Conventions and Invent America, will not be provided for students and could be cut. These programs and many more are not in the regular curriculum and are not measured by a bubble test but

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rather measured by genuine student products to an authentic audience. High-ability program services by teachers in the regular classroom and from specialized HAL Programs are unique learning labs for the entire school population and will provide the seeds for change innovation in a system that is often criticized for standardization and not providing critical and creative outlets. Please provide for K-12 high-ability students so they can demonstrate leadership, invention, creativity in the schools, while working to keep the most talented and brightest students in Nebraska. The Nebraska Associated for Gifted strongly supports the Nebraska Department of Education recommendation and others that you've heard today that funding should continue and should be placed in the General Fund. I'd be happy to entertain any questions that you might have. [AGENCY 13]

SENATOR HILKEMANN: Any questions from the committee members for Mr. Thomsen? [AGENCY 13]

JOHN THOMSEN: Thank you for your time. [AGENCY 13]

SENATOR HILKEMANN: Thank you. Before you leave, Mr. Thomsen, I do have one question. [AGENCY 13]

JOHN THOMSEN: Okay. [AGENCY 13]

SENATOR HILKEMANN: Why the big disparity between Nebraska and Kansas on the number of people that are identified as high-ability learners? [AGENCY 13]

JOHN THOMSEN: I can't speak to why or how Kansas does that, but each state would have their own autonomy and their identification procedures, so I would guess that that would be part of it. [AGENCY 13]

SENATOR HILKEMANN: It's just a matter of how. There's not a national standard that

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sets up how we identified...okay. [AGENCY 13]

JOHN THOMSEN: Correct. [AGENCY 13]

SENATOR HILKEMANN: Thank you. [AGENCY 13]

BRYAN ALSUP: (Exhibits 10 and 11) Good afternoon, Chairman Mello and members of the Appropriations Committee. Thank you for allowing me to appear before you again. My name is Bryan Alsup, B-r-y-a-n A-I-s-u-p, and I'm a strategic alliance manager with Microsoft Corporation in our U.S. education group. I'm here today testifying in support of Agency 13 with regards to the appropriation of Nebraska's Microsoft IT Initiative through the Department of Education. I want to thank each member of the committee, as well as Commissioner Blomstedt, Mona Schoenrock, Rich Katt, and many others for their commitment to this important program. I know there are a number of new members to the committee this year so let me take just a second to explain what IT Academy is. It's a set...it's a program that includes a set of content curriculum and tools that allow students to become proficient in technologies ranging from desktop productivity. computer science, coding, and infrastructure and database management. This program allows them to then achieve an industry certification that's recognized by employers worldwide. According to the U.S. Bureau of Labor Statistics, more than 50 percent of today's jobs are requiring some degree of technical skills and experts are expecting that to grow significantly, forecasts upwards in the high 70s. I think that's even a little conservative. Before appearing here today, I did a search on one of the popular job Web sites and in Nebraska today there were 1,720 job postings that were asking for Microsoft skills in one fashion or another. To put that in comparison, that's five times greater than Google, Apple, Cisco, and Adobe combined in the state of Nebraska. This is a very important program and one that employers are looking for. Last year the committee appropriated \$250,000 to initiate the program across the state. The program was deployed to both community colleges and high schools. With the funding that was provided, we were able to provide the program to 40 high schools and 7 community

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colleges geographically dispersed across the state. I commend the Department of Education on their efforts to ensure that there were...there was great equal distribution of the licenses that were made available with the limited funding. Senator Harms last year grilled me pretty closely to ensure that not just major metropolitan areas would be taken care of but the rest of the state would, and the Department of Education did a great job in distributing those licenses in an equitable fashion. We kicked off the program in late October. Since that limited time, in those four months, we've been able to educate over 212 teachers. We did that through four face-to-face training sessions spread across the state and ongoing virtual training sessions that continue monthly. We have also been able to achieve over five, as of last Friday, over 517 certifications already for both teachers and students across the state. It's important to recognize that it's teachers and students. Previously before this committee today there was a question about what is the availability of teachers that can teach technical curriculum. This program is designed to assist bringing teachers up to speed and make them more proficient at delivering technology skills in the classroom as well as preparing students for career and college. The excitement that this program brings has been voiced through the actual words of educators and students across your state. Even with the limited number of licenses that we've had. On the left side of your packet there is a document that was put together both by Microsoft that references some of the success stories as well as a great document that was put together prior to the end of the calendar year by the DOE that shows all the schools that are represented in the program, where they're located across the state, and some comments from those folks that are...have been leveraging the program to date. I'm here asking that you continue your sponsorship for this program but that you also increase funding for it so that we can expand the breadth of this and the depth of knowledge across...for students in the state of Nebraska. Thank you. I'll take questions. [AGENCY 13]

SENATOR MELLO: Thank you for your testimony today, Mr. Alsup. Are there any questions from the committee? Senator Bolz. [AGENCY 13]

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SENATOR BOLZ: How are the students themselves chosen? Do they self-select? [AGENCY 13]

BRYAN ALSUP: So that's decided by each of the schools themselves and I'm not that close to the day-to-day operations to know that. I can tell you how the schools were selected. There was a simple application process that took place to determine which sites were interested in participation in the program. Then there were some qualifications that they needed to meet as far as resources go. And then, as I said, geographically those sites were determined. How the students are actually leveraging the program in the school, that's something I'm just not close enough to answer today. [AGENCY 13]

SENATOR BOLZ: If you would be able to provide some additional information for me... [AGENCY 13]

BRYAN ALSUP: Absolutely. [AGENCY 13]

SENATOR BOLZ: ...about that, I... [AGENCY 13]

BRYAN ALSUP: We can follow up with you on that. [AGENCY 13]

SENATOR BOLZ: I mean I think at the heart of it we have lots of programs and we have some competing programs to which we target resources specifically to those individuals who couldn't otherwise... [AGENCY 13]

BRYAN ALSUP: Right. [AGENCY 13]

SENATOR BOLZ: ...pursue that credential and I'd like to compare. [AGENCY 13]

BRYAN ALSUP: Sure. And I think it will vary also from school to school in that the

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curriculum can be used in a self-study fashion or it can be used, we provide lesson plan frameworks that allows the teachers to then align it with existing curriculum and be taught in a classroom model. Typically where we see the greatest success is in a hybrid model where we're teaching it in the classroom, aligned with an existing curriculum, and then the student is taking advantage of the tool after they go home in a self-paced manner. [AGENCY 13]

SENATOR BOLZ: Uh-huh. That's helpful. And I guess maybe just one other question. I know you're asking for additional funds. [AGENCY 13]

BRYAN ALSUP: Uh-huh. [AGENCY 13]

SENATOR BOLZ: The structure as it's set up now, I think there was some interest from last year's committee to make sure that it was...those licenses were spread about the state. [AGENCY 13]

BRYAN ALSUP: Correct. [AGENCY 13]

SENATOR BOLZ: But you know we have a population base in Lincoln and Omaha. Do you have a thought or an idea about how the new licenses should be distributed? [AGENCY 13]

BRYAN ALSUP: I know that there is more demand than there are licenses today. There are schools that are asking us to get more licenses. Some of those are in your more heavily populated cities because they were limited on the number that the got. I would direct you to the DOE and the program administrator for exactly who those schools are and where they're located. [AGENCY 13]

SENATOR BOLZ: Okay. Thank you. [AGENCY 13]

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SENATOR MELLO: Senator Watermeier. [AGENCY 13]

SENATOR WATERMEIER: Thank you, Mr. Chairman. Appreciate your testimony here today. I'm just here to say thank you as well. I'd forgotten about this issue but my wife is actually certified and teaches this. [AGENCY 13]

BRYAN ALSUP: Very good. [AGENCY 13]

SENATOR WATERMEIER: She says it's off the charts. It really does a lot of good and it's very current. And so I just appreciate your effort into it. It's a worthwhile program. [AGENCY 13]

BRYAN ALSUP: Well, thank you very much. I did include in your package, hot off the press, there was a blog posting this weekend. Since this weekend was International Women's Day, we did a blog posting of success in Nebraska that focused on three women. One is an educator, one is a foreign exchange student from Germany, and one happens to be the college student daughter of the educator that's involved. And I think you'll be interested in reading that case study. [AGENCY 13]

SENATOR WATERMEIER: Okay. [AGENCY 13]

SENATOR MELLO: Any other questions from the committee? Seeing none, thank you, Bryan. [AGENCY 13]

BRYAN ALSUP: Thank you very much. [AGENCY 13]

SENATOR MELLO: Are there any other testifiers today on Agency 13, the Nebraska Department of Education? (See also Exhibits 12, 13, and 14) Seeing none, that will close today's public hearing on Agency 13, the Nebraska Department of Education, and take us to our next public hearing of the day, Agency 32, the Board of Educational

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Lands and Funds. [AGENCY 13]