

MINUTES OF THE COMMUNITY IMPLEMENTATION COUNCIL

August 9, 2017

The meeting of the Community Implementation Council was called to order by Chair Glenn Christenson at 1:06 p.m. at the Grant Sawyer Building, Room 4401, 555 East Washington Avenue, Las Vegas, Nevada, and via videoconference at the Legislative Building, 401 South Carson Street, Room 2135, Carson City, Nevada. Exhibit A is the Agenda, and Exhibit B is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Glenn Christenson, Chair
Brent Husson, President, Nevada Succeeds; Vice Chair
Felicia Ortiz, Member, State Board of Education, Congressional District 3; Vice Chair
Verenice Flores, Senior Accountant, Fair, Anderson & Langerman
Nora Luna, Director of Diversity and Grant Funding, Nathan Adelson Hospice
Erin Cranor, Member, Clark County School District Board of School Trustees, District G
Ryan Woodward, Area Manager, JPMorgan Chase; Member, Las Vegas Metro Chamber of Commerce

COMMITTEE MEMBERS PRESENT (TELECONFERENCE):

Vikki Courtney, President, Clark County Education Association

COMMITTEE MEMBERS ABSENT:

Ken Evans, President, Urban Chamber of Commerce

STAFF MEMBERS

Brenda Erdoes, Legislative Counsel, Legal Division, Legislative Counsel Bureau
Risa Lang, Chief Deputy Legislative Counsel
Angela Hartzler, Secretary, Legal Division, Legislative Counsel Bureau
Jordan Haas, Interim Secretary, Legal Division, Legislative Counsel Bureau

OTHERS PRESENT:

Frances Martin
Michael Vannozzi, Vice President of Creative Strategy, TSC² Group
Tom Skancke, President, CEO, TSC² Group
Pat Skorkowsky, Superintendent, Clark County School District
Brenda Larsen-Mitchell, School Associate Superintendent, Performance Zone No. 12
Grant Hanevold, School Associate Superintendent, Performance Zone No. 2
Lorna James-Cervantes, School Associate Superintendent, Performance Zone No. 5

Antonio Rael, School Associate Superintendent, Performance Zone No. 15

Glenn Christenson (Chair):

I will now open the eighth meeting of the Community Implementation Council (CIC).

I will now open agenda item II, public comment.

Frances Martin:

First of all, I would like to thank you all for your selfless contributions and diligent efforts to ensure the success of this bohemian task of the reorganization. Your dedication and professionalism are acknowledged and greatly appreciated. I would also like to commend those in the Clark County School District (CCSD), who have also been working sincerely and tirelessly to achieve both the letter and the spirit of the legislation.

However, power is seductive. For those who have enjoyed power, it is often natural to consistently exert effort to maintain that power. For those who have historically been rendered powerless, it requires much more effort to merely accept the notion of the possibility of sharing power. During all of the discussions and reports that have been occurring in the last 2 years, much time has been spent on the passing down of authority, mainly dollar amounts, to the principals' level. Seldom has the conversation been steered to the most crucial aspect of the empowering process, the power-sharing dynamics between the principals and the school organizational teams (SOTs). I have no doubt that there are plenty of visionary principals who welcome this innovative model of education and participate fully and eagerly with the ideal of student, family, teacher and staff engagement. I want to applaud their courage and wisdom. However, the seductive nature of power cannot be naively or dangerously ignored at our own peril. Anticipating the tremendous amount of authority that has been granted by the legislation, a number of principals and their closely aligned associate superintendents have begun both overtly and underhandedly solidifying the power that was, is and will be theirs by various tactics of intimidation, retaliation, isolation and misinformation in flagrant violation of our valued democratic process. The outcome that is ultimately desired might have to come from modifying the well-intentioned, but still a work in progress, legislation in the next session to further cement the rights of the stakeholders other than the administration. I do hope that it should not prevent those on the Council, the Board of Trustees, the Office of the Superintendent and the associates superintendents who have the ethical standards, foresight and courage to install a permanent oversight body with real authority to conduct conflict resolution and investigation, clarify misinformation and make best practices guidelines and district-wide policies to deter insidious power-grabbing behaviors and to further discipline those offenders who intend to undermine the great spirit of the empowerment of the whole community. What those myopic individuals fail to see is the eventual wisdom that when students, parents, teachers, support staff and the community are empowered to make the necessary and responsive changes with their intimate knowledges of the daily challenges they face, the students will reap the benefits immediately. Their improved achievement will manifest more readily, and the schools will inevitably become infinitely more effective, productive and successful. This will not only be a proud accomplishment for the District and everyone in it, but it will also have the positive impact on the State as a whole because it will

produce a more capable, competitive and professional workforce, attract investments in diversified sectors and further the welfare of all the citizens in the great State of Nevada.

I remain optimistic and confident that there are plenty of people in the District with gusto and the wisdom necessary to make the reorganization successful in the days ahead. I thank you for the opportunity to voice my opinion and implore the Council to consider my humble suggestions.

Chair Christenson:

Seeing no further public comment, I will close agenda item II.

Trustee Edwards is in the audience, and I just got a text from Trustee Wright, who is watching from another venue. Member Courtney is attending via teleconference.

We will then move to agenda item IV, which is approval of the minutes. We have minutes from the July 12 meeting (Exhibit C).

MS. CRANOR MOVED TO APPROVE THE MINUTES OF THE JULY 12, 2017 MEETING

MR. HUSSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Chair Christenson:

I will now open agenda item III, the Chair's remarks. Today, you'll hear from our consultants, the Superintendent and the school associate superintendents on the reorganization. The presentation will be very similar to the one given at Monday's Advisory Committee hearing (Exhibit D). These individuals will cover the following topics: the 80-20 provision, the transfer of responsibilities process and the work going forward.

At the August 7 Advisory Committee meeting, Legislators heard nearly 7 hours of testimony on the reorganization. The Advisory Committee had not met for some time, so a great many topics were presented in addition to the ones noted previously, including ideas from the Clark County Education Association (CCEA) and the Administrators Union on the path forward. There were also discussions about rural school allocations, climate and culture related to SOTs, the role of the SOTs, and the role of the Nevada Department of Education and the State Superintendent going forward. It is my intention to ensure that the CIC hears from each of these groups at the September meeting. I would have put them on the agenda for this meeting, but the nature of their presentations wasn't shared with me ahead of time, so we didn't have time to put them on the agenda to comply with the Open Meeting Law. That being said, I have included all of the materials that were submitted to the Advisory Committee in the meeting attachments. I would ask that the CIC members review these attachments and

forward any questions you may have on them to the consultant team so that they can have answers prepared for us at the next CIC meeting.

There will be differences of opinion on how to proceed on certain matters, but taking a collaborative approach will help to improve our probability of success. Failure is not an option. We must work together to make sure that the Clark County Schools Achieve reorganization is a success. While the School District must be collaborative on issues related to the reorganization, it is imperative that CCSD own this work going forward. The charge of the CIC, along with the consultant, will be complete October 31, 83 short days from now. Ultimately, no one but the District and the Board of Trustees can implement the reorganization.

As a final action of the CIC, we will receive and submit to the Advisory Committee a report on the reorganization. This report will serve as a manual of sorts on the reorganization and provide recommendations to this Committee and ultimately the Advisory Committee on steps to continue to move the reorganization forward. We expect to have a draft for your consideration by September 1. We will hear a report from the Consultant on this manual at the next CIC meeting. That being said, I'm happy to take questions or comments from Council members.

Felicia Ortiz (Member, State Board of Education, Congressional District 3; Vice Chair):

For the manual that you're talking about, what exactly is the content going to be? Do you have a brief highlight of the table of contents? I'm just curious whether it's something that's going to sit on the shelf or actually be useful.

Chair Christenson:

Maybe you should address that to the consultants later. But in my conversations with them, this will be a very comprehensive report on what has been done, recommendations in the future and things that they're concerned about

Ms. Ortiz:

If the consultants don't mind, could you address that when you come up? Thanks.

Chair Christenson:

I didn't ask this before, but I'm curious since Vice Chair Husson and Vice Chair Ortiz were at the Advisory Committee meeting. Did you come away with any thoughts?

Ms. Ortiz:

Are we not going to get those presentations all over again? Okay, we are. Overall, I think it was a very productive meeting. I felt like the Legislative group got a good overview of what's happened so far, where we're at and what still needs to happen, as well as a thorough road map of where we're going. I thought there were still definitely some concerns and roadblocks

that we need to overcome, but they're now aware of them and hopefully they're starting to think about paths that we can take to get past some of those roadblocks. I was completely impressed with how much time and effort the District has put into its plan to achieve the 80-20 and 85-15, and I'm also really happy that the associate superintendents are getting their feet wet in helping with that effort so they understand the business side of it all. I was a little disappointed to hear some of the public comment about issues that particularly parents and teachers on SOTs were dealing with from their administrators. I think that's not unexpected, sadly, but I think that we definitely are going to have some work to do there, and I'm hoping that those reports of incidents will dwindle quickly as we identify those bad apples, for lack of a better term, and address them, move on and quickly remediate the situations. So overall, I'm very impressed with how far we've come. I think the Legislative team is really starting to understand the intricacies of what this really takes, and so hopefully we'll be moving on in a much more cooperative manner going forward all around.

Brent Husson (President, Nevada Succeeds; Vice Chair):

First, given the controversy and the history of the interaction with the consultants and the District, the presentations that I saw weren't presentations that would be delivered by an organization that wasn't committed to getting the work done effectively. If we were seeing an organization that was just paying lip service to this process, we would not have gotten the presentation that we're going to see today. So to me, that is the biggest thing that matters. The organization itself is taking ownership. The School District understands that this is their charge. They're not just saying that they know they need to do it. They are committing resources, time, effort and energy to getting it done.

Second, and this probably surpasses my first point in importance, we're actually seeing the manifestation of a culture change. I don't recall any meetings prior to these, other than our last CIC meeting, where anybody but the top leadership of the School District reported to us, with the top leadership being Superintendent Skorkowsky, Deputy Superintendent Wooden or Chief Operating Officer Neal. In this new culture, we need to know that Kellie Ballard, who gave the presentation last time, and the folks that are going to give the presentations today, the people who are actually responsible for making the change at the District, are taking ownership of it and are able to come and present to us, and that the leadership can feel comfortable and confident in those individuals representing the District well. That's a culture change. That's evidence of a culture change beginning to happen, one that's very critical for this whole process to work. If we're going to devolve leadership down and ultimately have it reside at the school level, then it has to be modeled for them initially at the administrative level, and that's what I'm starting to see.

Now, I do think that we heard some testimony from individual buildings that that message hasn't been necessarily received at every building, nor has the training been in place yet to help those building leaders understand how to operate that way. I would not have expected that to happen yet. I know some in the community have, and they're pushing for that to happen more quickly, but I would just echo the sentiments of others who would say that one of the more important things that you have to do now is put in a regime or a system that will allow for the appropriate expression of those kinds of concerns and a process to remedy them. I don't think you can underestimate the power that could have to destroy this entire process. If

you get to a point where allegations of retribution become the norm, you won't have teachers who want to participate on SOTs. You won't have parents who want to participate. If that becomes the case, you won't have a system that works. So, I think this is critical, and that was a point I was going to bring up today, that the leadership there, working with the consulting company, develop a plan. I don't know what that would look like, and I don't want to suggest that I do. But you guys are smart and you'll figure it out, I have no doubt. But it needs to be fair to those who are presenting their issues, and it has to be able to resolve issues in a timely manner and in a way that everyone believes is fair. That's really the most critical piece. So, overall my impressions are that this is working exactly like it should. The reorganization of a large entity like this is not easy, and it will take time. Not everybody will be pleased the entire time, but as we move forward, we're seeing real, tangible progress. I have no doubt that it's going to end up where we wanted it to in the beginning.

Chair Christenson:

I would echo all of those comments. I think that's what Ms. Martin was talking to us about as well today.

I also wanted to acknowledge Trustee Young in the audience. Thank you for joining us.

Agenda item V is a presentation by CCSD personnel and the consultant team concerning the update concerning the implementation of the plan and recommendations to reorganize CCSD and the regulation to carry out the plan and recommendations.

Michael Vannozzi (Vice President of Creative Strategy, TSC² Group):

I am going to give you a brief overview of what we heard from other stakeholders at the August 7 meeting, just for the benefit of people who weren't there or were not able to tune in online. At the August 7 Advisory Committee hearing, Legislators heard 7 hours of testimony and public comment. As the Chair has said, they heard from us, the Superintendent, the school associate superintendents, the Teachers Union, the Principals Union, several members of the public, the State Board leadership and the State Superintendent. Public comment was also taken, as Mr. Husson referred to. Several members of rural SOTs expressed concerns about the allocations afforded to them in their strategic budgets in light of section 19(3) of the reorganization law. That provision prescribes that rural schools are to receive not less than the proportionally larger amount of money that was used to fund the school before the effective date of Assembly Bill (A.B.) 469. Several members of the SOTs also told stories about their experiences, including perceptions of possible retaliation from principals, as Mr. Husson and others have referred to. Going forward in that work, that's going to be very, very important to address. Also, several parents expressed support for the reorganization and called for a mechanism of resolving disputes between SOTs and the administration.

We also have CCEA's reference document to the Advisory Committee (Exhibit E). Because the testimony was so long, important and informative, we would suggest that as the minutes and video comes out from that Advisory Committee meeting, you can go back online and listen to some of that presentation. In reference to the CCEA's reference item in your packet,

we did want to suggest that there seems to be general agreement on several actions that must take place to ensure the implementation of this law. So, what I'm going to do is actually go through and reference CCEA's document (Exhibit E), and I'm going to express some feelings that we had in looking at that document.

The first thing that CCEA suggests is that Senate Bill (S.B.) 178, the weighted funding formula law, needs to be implemented immediately. As we've been told by the Superintendent, that is being done and CCSD received a notice of award. It's not a check, but a notice of award. We have been told that they will imminently publish the schools and the amounts of those grant awards under S.B. 178. This is very, very pertinent to the reorganization law. The reorganization law has a great number of sections on the weighted funding formula, so it's critical that this be implemented. We'd all like to take this opportunity to thank CCSD, CCEA, the Clark County Association of School Administrators (CCASA), all the stakeholders inside the District, outside the District, Nevada Succeeds, the State Board and everyone who really made this possible, and especially the Legislature and the Governor for the funding on the weighted funding formula.

The second suggestion that was made by CCEA was a three percent cut to all non-instructional services that are part of the Central Administration, with an assessment of which departments and programs can be eliminated, streamlined or reorganized to be done no later than September 30. As you probably know and have read in the newspaper, plans to make a \$45,000,000 general fund budget cut are underway. The Trustees have ultimate authority on this matter. But the Superintendent, with the support and assistance of the school associate superintendents and a group of principals selected by other principals who participate in the Superintendency, made some recommendations that may already achieve this three percent non-instructional services cut that CCEA proposes, so stay tuned.

The third thing that was suggested was that the CCSD Board of Trustees move to transfer central services listed in section 16(3) of A.B. 469 no later than October 1. As you will hear in the Superintendent's presentation, CCSD is moving rapidly through a process of transferring responsibilities. In this process, by law they need to get input from all principals, SOTs and associate superintendents, and that work is moving forward as you will hear today. The culmination of this process is a vote by the Board to transfer responsibilities. That must happen in the fall. So, to the October 1 date, it's a challenge. It's a short timeframe to get this done, but that is a good challenge by CCEA.

The Clark County Education Association suggests that SOTs revisit current school year budgets to assess what additional services and needs a building will have to better achieve student outcomes as they plan for next year. I would say this is a good idea. New SOTs will be elected in October. They should familiarize themselves with the existing budget and the process of designing school strategic budgets in anticipation of having next year's larger school strategic budgets in place. Thus, schools should look at their current year's strategic budgets in light of what the Board of Trustees may vote to transfer into the school budgets for next year. It's a great idea to get started early in this process.

The Clark County Education Association suggests that associate superintendents have an operational business model. Again, we feel that this is a good idea. As the consultants, we

support this idea because it promotes a customer service culture in the District. There's a lot of commonality in the points of view across the city, both inside and outside the District, on this matter.

The Clark County Education Association suggests that CCSD find a greater role for the Trustees working directly with performance zones in their Districts to aid and assist associate superintendents in school precincts and ensure that they get the support necessary to carry out their school organizational plans. This is an idea worth exploring, but it should be aligned with the Trustees' own balanced governance processes which were recently adopted.

The Clark County Education Association further suggests that the Department of Education have oversight and rapid intervention when it comes to funding issues. Further, CCEA suggests that Mike Strembitsky and other consultants be brought in, including financial consultants, and that the Department be appropriated resources to pay for these additional resources by the Interim Finance Committee and the Legislative Commission. As was referenced in earlier testimony, the State Superintendent Dr. Steve Canavero testified on his role in A.B. 469. I urge the Committee members to go back and listen to that testimony, as it is very important to this process. To CCEA's point, Mike Strembitsky has been reengaged in the process. I know the Superintendent has talked to him. I've talked to him at length in the past 10 days to keep him updated. We look forward to continuing to work together.

The Clark County Education Association suggests that CCSD needs to immediately have systems of training for A.B. 451 and a system of rapid response for S.B. 369. As consultants, we agree. As a point of reference, A.B. 451 requires training for School Board Trustees. The Nevada Association of School Boards is moving forward in forming these trainings. Senate Bill 369 is the school climate and culture bill. This particularly matters to the reorganization, and we wholeheartedly agree with CCEA here.

The Clark County Education Association suggests the elimination of the Employee-Management Relations (EMR) Department and an audit of the current human resources system. Back in May, we suggested to the CIC that CCSD evaluate some departments in light of the reorganization. Ultimately, this is the prerogative of CCSD.

Finally, CCEA suggests that the Governor and the Attorney General need to determine what action to take to force CCSD to comply with A.B. 469. The State Department of Education was, as the State Superintendent said, looking into its authority under A.B. 469, and that was reflected in the Superintendent's testimony.

As you can see, there's broad agreement on many, perhaps not all, but many aspects of CCEA's document. But today, you'll hear about the actions the District is taking right now to ensure compliance with the law. These actions are complex. They have many moving pieces. We are assisting them at every step of the way. As you said, Mr. Chairman, the District must own this work going forward. We cannot do the work for them, as there are only 83 days left in our contract.

As a final takeaway from the Advisory Committee, I'd like to offer the following: the expectation from the Legislators and the State Department here is clear. The Clark County

School District must move forward on the transfer of responsibilities process this year (Exhibit E). As you will hear in their testimony, they intend to do just that. It is becoming more and more evident that CCSD, in partnership with the community, must develop some way to address issues that come up on SOTs, as Vice Chair Husson referenced. These issues include disagreements between SOT members, disagreements between SOT members and the principal, disagreements on appeals to the Central Office and disagreements on matters of law. Occasionally, it seems that these disagreements can negatively affect the climate and culture in the building, and that's why S.B. 369 is so necessary. The final takeaway is this: despite what sometimes can be perceived as vigorous disagreement in the community on some aspects of this law, there seems to be broad consensus around many of the stakeholders on the path forward for this reorganization. Think about where we are compared to where we were this time last year. This time last year, CCSD had filed a lawsuit, and now we are distributing organizational power and taking steps to transfer large portions of the budget to schools. This time last year, school associate superintendents were not even impaneled, and today they are helping the District become more responsive to the needs of schools. This time last year, the School District's Central Office budget was, to some, very, very opaque, and not all schools even had a strategic budget. But today, we are moving quickly to full adoption of the decentralized school-based decision-making model. We are on the right track. We have 83 days left to go on this contract. Thank you for allowing me to make a summary of the 7 hours of testimony that we heard on Monday.

Tom Skancke (President, CEO, TSC² Group):

With Mr. Vannozzi and I today is Andrew Doughman, who is a member of our team. Brian Knudsen could not be here today. He is also a member of our team. As Mr. Vannozzi and the Chair pointed out, since we last met a great deal of progress has been made. It's hard to put into words the amount of progress that has been made, but my hope is that this work you'll see today speaks for itself, in a sense. My testimony today will be somewhat similar to what I presented on Monday at the Advisory Committee, but I think you're going to hear one common theme from all of us today. There are 83 days left in our contract. That's not a lot of time to get all of the things done that Mr. Vannozzi pointed out and that you're going to hear today from the District, the Superintendent and the associate superintendents, who are doing most of the work. Our relationship with the District has improved dramatically since the beginning of this contract, and that has a lot to do with involvement. It has to do with the passage of A.B. 469. It has to do with the Trustees. It has to do with the spirit of cooperation that we are feeling and sensing throughout the community on the implementation of this particular legislation, but more importantly the overall reorganization of CCSD.

On Thursday, CCSD began its school year with something called the Kickoff Ceremony. This is a ceremony in which more than 1,000 people get together, including principals, Central Service administrators, teachers and community stakeholders, to set the tone for the new year. This year, the kickoff was about the reorganization. In the Superintendent's keynote presentation, he embraced, in a full-throated manner, the type of autonomy that this law mandates. He said that one of the hardest things he's had to learn this past year was to let go, and he was looking forward to unlocking the potential of all the educators in the room in the newly reorganized model. The Superintendent, the District, the Central Office, principals and SOTs, from top to bottom, have embraced this reorganization. Let me say that again.

From top to bottom, they have embraced this reorganization. Some may ask, "Why did it take so long for the District to fully embrace this law?" It's simple. The District was trying to solve the wrong problem. I'll explain. In our strategic implementation work that we have done for many, many years, we focus on something that I like to call fundamental problem identification. It's a strategy that we use to help people change their considerations and change the nature of the work that they do. Lots of people come up with solutions to problems, but they neglect to ask if the solution that they've presented actually solves the fundamental problem presented. A lot of people spend a lot of time solving the wrong problems, and then that solution becomes the new problem. That is exactly what happened in this particular case. Assembly Bill 469 states that 80 percent of all unrestricted dollars must be allocated to the schools in the first year of the reorganization. For the District, this 80 percent provision was the problem in their universe that could not be solved in a meaningful way. This problem was exacerbated by the fact that their accounting systems did not allow for the meaningful tracking and distribution of funds to schools, an issue that you all helped address with the appropriation of money for a human capital management system. You may recall that the Legislature appropriated \$17,000,000 to CCSD to assist in the purchase of that new system. That particular challenge aside, the District recognized that it could solve the 80-20 problem on paper. So, we changed their consideration. We made them see the real problem, and we did that collectively in a collaborative effort.

Last month at the CIC meeting, CCSD went through a huge presentation. In it, they said that they are using the Clark County Schools Achieve reorganization to fundamentally realign how they do business in the School District. As part of that reorganization, they did an accounting exercise, which we assisted with. This is what we found together. The general fund of the School District, the unrestricted money, accounts for almost \$2,400,000,000 in revenue. Of this \$2,400,000,000, 88 percent of it is spent on services that occur in schools or with children. But the schools only have direct control over 55 percent of the money that is spent in our schools. The remaining 33 percent is spent on services that are provided to schools. But just because the District spends 88 percent of that money at schools, does that mean they are following the law? No. The law calls for local school autonomy and school-based decision making. It does not call for an accounting exercise. Moving money and broadening local school autonomy and decision making is the work that we are doing going forward. Right now, 55 percent of the unrestricted dollars are allocated to schools. Another 33 percent are allocated to schools through the provision of services. The problem is that principals, now empowered with SOTs, are responsible for most of the outcomes associated with the 88 percent, but they are only able to assert real control over 55 percent of that budget. That is the fundamental problem that we helped the District identify. Some in the community mistook the budgeting exercise as a sign that the District thought it was done with its work. It is not, and I am sorry if the exercise caused confusion throughout the community. The budgeting exercise was merely the display of a strategic method to get the District to solve the right problem. Now, they are solving the right problem.

Today, you'll hear from the Superintendent and his staff, including four associate superintendents: Grant Hanevold, Lorna James-Cervantes, Brenda Larsen-Mitchell and Antonio Rael. These four individuals, in partnership with their 12 other school associate superintendent colleagues, were challenged by the Superintendent to solve the right problem. I think they have done an outstanding job of doing that and getting the work moving forward.

They will go through the process through which they are going to transfer the budget and responsibility to schools so that principals and SOTs can drive student achievement. I believe that the process they are undertaking will get the District into full compliance with the law. I will tell you that they are looking at ways to go even further than the law prescribes to give principals and SOTs the type of decision-making power they need to drive student achievement. Will that be perfect in the first year of operation? Probably not. We're going to have a lot of lessons that we have to learn, and there might be some changes along the way that have to be made, along with certain adaptations to the process. But, there is a process moving forward.

The school associate superintendents will also talk about another change that is happening in the organization of the District. You may have read recently in the paper that the School District is facing a general fund shortfall of approximately \$45,000,000 because of arbitration awards, shortfalls in money that they are expecting from the State and Board action. This kind of shortfall has been solved in the past by sweeping money from schools. But because of this law and my team's help, the school associate superintendents and the Central Office have devised a plan to help avoid doing just that. If approved by the Trustees, this plan would preserve money as best as possible in the school strategic budgets and ensure that the general fund budget cut does the least possible harm to schools.

As the Chairman, Mr. Vannozzi and I have stated, we have 83 days left in our contract with the State. After our contract has concluded, you'll see the Advisory Committee and the State Board of Education taking on a larger role with the reorganization. The State Superintendent, under section 32 of this law, has broad authority to do what is necessary to ensure the implementation of this reorganization. I have instructed my team to leave the State Superintendent with a reorganization process that is as complete as possible, so that he and his team can take over the supervision from here. You should all note that the State Superintendent in his testimony to the Advisory Committee on Monday gave this Committee and my team an unqualified endorsement when he said that he wished for the Committee and the consultants to "stay until they are no longer needed, and that is not on the immediate horizon." Whether the Legislature chooses to extend the charge of the consultant and this Committee is not my decision to make, but I do know that a great deal of work is still ahead of all of us.

Today, you'll see some concrete evidence of the ways that the culture is changing in CCSD. I stated to you all back in November and in May, and I continue to say, that this project is not only an exercise of transferring authority, responsibility and dollars, but it really is changing a 50-year culture within CCSD. On our recommendation, the Superintendent made an operational decision around the reorganization to empower the associate superintendents and the "I Team." Together, they are creating and implementing the structure around the transfer of budget and responsibility for the 33 percent of unrestricted budget that is managed by a Central Office department but spent at the local school level. The school associate superintendents have taken to this assignment with gusto. This month, they met for hundreds of hours and hammered out the presentation that you will see today. This is what happens when you decentralize authority. You get input from diverse stakeholders, and you ultimately get better outcomes. If that wasn't enough, the Superintendent also gave the school associate superintendents a really big assignment. He has tasked them with coming up with a solution

for the \$45,000,000 shortfall that the District is facing. As I said in my earlier remarks, the Superintendent said one of his biggest challenges this year is letting go. I'm very proud of Superintendent Skorkowsky in his ability to do just that. When you're at the top of an organization that is a corporation the size of CCSD, giving up control is difficult when you're responsible for 370,000 lives in Clark County. But the Superintendent is working on that process himself, and I'm proud of him for doing that. It's a very difficult thing to do.

There is one issue that I would like to bring up that I have talked about in the past. I've mentioned to you previously that when you're dealing with cultural shifts, we've been dealing with a culture of fear in CCSD. The fear of losing control, the fear of losing control of budgets and the fear of losing budgets. The fear is that if we don't spend the money, we will lose the money. A lot of that has been overcome. But, there is still another culture that exists in CCSD, and it is one that is not very pleasurable. I have not brought it up in the past because I thought it was something that we could work through. But it clearly is not being worked through, and so I'm going to address it today. It is a culture of divisiveness and disloyalty, and it's very, very frustrating. We sit in meetings, and while we are sitting in meetings, people in those meetings are texting information out to people in the community, to Trustees and to special interest groups, and it's really disrespectful. In fact, it is disheartening that that type of behavior exists in a \$2,400,000,000-corporation. It is a culture that has been allowed, but it is a culture that has to change. There is distrust, and there is a massive amount of disloyalty to the District, to the Superintendent and to the Superintendency of CCSD. It's deplorable. That type of behavior should not be accepted. We sit in meetings, and while we're sitting in meetings, we're getting messages from people in the community of what's happening in the meetings. We're getting text messages saying, "Did you really just say this in the meeting that you're in with CCSD?" The problem is not that it's not public information. It's that you cannot move forward with a level of trust when people are actually texting out to people in the community when they are not getting their way. And I'm pretty certain that it's happening right now. In fact, I bet if I collected everyone's cell phones here today, you'd be seeing a flurry of texting, criticizing my testimony and criticizing the work that we are doing in the District. I think it's unfortunate. It is unfortunate, and I hope that it stops. I'm going to tell everyone in the room and everyone who's listening, I'm going to expose it when it occurs. I'm going to call you out in the meeting. I'm going to suggest that you stop texting people. When you don't get your way, that does not mean you go on the playground and you pout and you don't work towards coordination and collaboration. We're adults, and we should act as such. But we cannot do our work when this type of behavior is going on. When people don't get their way, they text Trustees, they text community groups, they text their friends, and it creates a flurry of controversy. I will tell you, and I said this to you earlier in the year, the Superintendent spends about 80 percent of his day, and so does his senior management team, responding to fires that are started by his own people. Mr. Chairman and members of this Committee, if that were corporate America, that would not be tolerated on any level. It would not. And the fact that that behavior is accepted and tolerated is unbelievable to me. Unbelievable. When you're in the military, you look to your right and you look to your left. You don't care if that person is black, white, Latino, male, female, gay, straight, transgender or whatever. All you want to know is that person sitting next to you is going to make sure that they have your back. and at the end of the day, you are both alive. In the School District, that is not the case. The case is, as long as you're doing your neighbor under to advance your own personal agenda, then you are succeeding, and I think that is reprehensible. I can tell you that in my small

organization, that would not be accepted, and it would not be accepted in the gaming industry and it would not be accepted at NV Energy or any other major corporation. I'm going to guess it doesn't happen at Chase Bank, and I'm going to guess that it doesn't happen at anyone else's organization. This behavior has to stop, and it has to stop today. So, this is not an ultimatum. I'm putting everyone on notice that when I see it, I'm going to expose it. Because this cannot continue. It cannot continue. The people that lose out at the end of the day when this type of behavior is done are the kids and the District as a whole. Mr. Chairman and members of the Committee, I debated whether or not I should bring this up today. But the only way you can have any type of recovery in any type of collaboration and team building is to expose the things that are not existing properly. Mr. Vannozzi pointed out a few minutes ago some amazing recommendations from CCEA. The education experts in this community are the educators that are in the classroom and that are in the schools. I would never sit here and profess to you that I am an education expert. I do fairly decently at organizational restructuring. But you have to have trust amongst your colleagues and your associates and the people that you deal with, and I'm going to tell you today that there is no trust. The Superintendent, again, spends 80 percent of his day putting out fires that his own people start. So, you all know who you are. You all know who I am. I don't have anything to lose here. I've got 83 more days. It's going to get rough to make some of these things happen. We are going to change a culture, we are going to implement this bill, we are going to implement this law to the fullest extent of the law, and we are going to improve student achievement in CCSD. I know that's what the Superintendent wants. I know for a fact that's what these Trustees want, that's what the Legislature wants, that's what this Council wants and that's what my team wants.

So, in closing, I hope that we can all get along and continue to move forward in a collaborative effort. But, I will make a recommendation, whether I'm asked or not, to vote people off the island, so to speak. Because we have a job to do in 83 days. Mr. Chairman, in the last meeting you pointed out that there were several stoppers. This is a stopper, and these individuals need to know that there is a level of trust in the room. When individuals are not getting their way, this is not second grade where you go running to the principal or your teacher. You work these things out in a room like adults, because these are the adult games that have to get worked out. So, I want to thank you, Mr. Chairman and members of the Committee, for indulging me for my rogue-ness and my rant. But we've worked extremely hard to build a level of trust with the Trustees. This has not been easy for them. This has not been easy for people in the School District. I get it. Change is difficult. But there are a lot of people that I am proud of. I'm very proud of the Trustees. I am. Member Cranor, you are going to be missed. It has been great working with you and your colleagues. It is great to see the number of Trustees that attend these meetings and who came on Monday. You're all very busy people. You deal with a \$2,400,000,000-corporation. As I said, you oversee 370,000 lives in this community. That's a little over 10 percent of our population. And we've got to keep that in perspective. The Clark County School District is responsible for 370,000 lives and \$2,400,000,000. The Superintendent of CCSD oversees one of the largest budgets in our State. So, if we can all work towards one common goal, with a little bit of cooperation and trust and a little bit of loyalty, I was asked on Monday, "Can we get this done by October 31?" I told the Advisory Committee that we can. But I'm going to ask everyone to work with us. I'm going to ask everyone to rethink how they work their day, and to have a little bit of loyalty to the Trustees, the School District, the kids, the Superintendent and the work that we are trying

to do. If you don't like me, feel free to Tweet something about me. Everyone else does. You can't hurt us. We have a job to do.

Chair Christenson:

I'd like to recognize Trustee Child, who has come in since earlier in the meeting. Thank you for being here.

Mr. Husson:

Mr. Vannozzi, you spoke earlier about the list of 10 recommendations made by CCEA. I just wanted to make sure that my notes were correct. Essentially, you commented that either the recommendation was being implemented or you agreed that it should be on 8 of the 10. In my mind, the two that you didn't say with a full-throated concurrence were that the Board of Directors should work directly with the performance zones and that potentially they should eliminate the EMR Department. Are you simply saying that that's just not your purview and that's the Board's purview so you wouldn't comment on that, or do you not believe they're good recommendations? Can you help me on that a little bit?

Mr. Vannozzi:

To your overarching question, we think that there are a lot of good recommendations here. I think that we stand by what exactly we said, which was that some of these things are things that should be implemented by CCSD, and some of these things are outside of the purview of CCSD and outside the purview of this contract.

Mr. Husson:

Was I right on the eight and two? I'm just trying to make sure I took the right notes.

Mr. Vannozzi:

I'll go back and check.

Chair Christenson:

Thank you, Mr. Skancke. I will now ask Superintendent Skorkowsky to make his presentation.

Pat Skorkowsky (Superintendent, Clark County School District):

I know that we've already talked about it and Mr. Skancke mentioned it, but I want to acknowledge Trustee Erin Cranor, who will have her last day as a Trustee of CCSD on August 16. We will be working to select a new one on August 17 so that there's uninterrupted service for the constituents in her district. But she has been a wonderful leader and a critical friend at many times throughout the District, and I just want to acknowledge that. And I know that on behalf of the Trustees who are in the room, Trustee Child, Trustee Edwards, Trustee Young and those watching, she will be missed and we greatly appreciate everything you have done

for CCSD and for the students that we are entrusted with and educate. So, thank you Trustee Cranor.

So, before we start, I want to say that we're going to talk a lot about numbers and processes, but the basis of any reorganization is people, and changing people's behavior, mindset and the very culture of CCSD. So really, this has to be about our students, and it's developed on the theory that we are going to increase the level of education of our students across the board in our elementary, middle and high schools and achieve greater results. So, I'm going to take another liberty, just because I have the microphone. This document is a full-page advertisement that's going to go in Sunday's newspaper, and it talks about our class of 2017 and congratulating them. I'll give you a preview. Now, there are still some numbers that we're finalizing. There are 19,971 graduates, and that may change before we get the ad in the paper, but that's huge. That is the largest graduating class of CCSD ever. It's thanks to the people sitting behind me and the principals in the schools, and not just the high school principals. It's everybody who worked to get these kids on track all the way up the system. There are 204 valedictorians, 722 Advanced Placement (AP) Recognitions, 48 salutatorians, 414 AP Scholars, 117 AP Scholars with honors, 138 AP Scholars with distinctions, 4,597 advanced and honors diplomas, 115 service academy appointments and more than \$227,000,000 in just merit scholarships. We're excited about that.

Now, we'll get to why we're changing. Sometimes, people say when it's not broken, don't fix it. But we have to strive to be better here in CCSD. We have to strive to ensure that we are putting decisions at the local level where they belong (Exhibit D). And so, I'm going to take you back just one year. Mr. Vannozzi did it, but I think his facts were all, to be very blunt, less than a year ago. One year ago, almost to the date, we were in community input meetings with county commissioners. That's how far this reorganization has come. It seems like 12 years of my life has gone by in 1. But I will tell you, it is great work. Because what we are doing is changing the CCSD culture, and really focusing in on how we can better serve our schools. We started with just a visual representation, and that is our organizational chart. I refer to it lovingly as "the tree." And our tree begins with all the branches and the leaves being the schools and the school associate superintendents. The trunk is our central core team, and all of the roots are every other operational or instructional service organization that supports our schools, lifts them up, helps them grow and helps them be better and receive more power as we go forward. Every central service employee has received training on how to put school needs at the top of the focus of our work, and surveys have been conducted of our central service employees and our school-based employees on the services that our central services provide to schools. We are operating under new guiding principles that move all the decisions as close as possible to the employees and schools affected by those decisions.

The next things we're looking at are the families and community, and allowing them to have that voice. More than 2,300 families, employees, community members and students are trained and now participate in monthly SOT meetings at 328 schools. The reason it's 328 is that not all of our facilities qualify as a "school" under the definition of the law. So, these teams are put together and working. While you've heard some concerns, what you didn't realize is that you heard from maybe four or five different schools. I'm not saying that every school is perfect, but what you didn't hear is the silent majority of people who are working hard in our schools to make a difference. We do have some challenges in working with some of our

SOTs, but the power of an SOT is in the team and not one individual, and bringing all individuals together to make decisions for the school, and understanding that it is a democracy and sometimes one voice can be heard and recognized, but the team will make the final decision as we go forward. School organizational teams are providing a school plan of operation and then a strategic budget aligned to that direct plan so that we are ensuring that the resources are given to each of our schools go directly into the programs, the school, the instruction and the educational practices that are needed to improve achievement. We did a poll of SOT members, and what we found is that many members think their input is valued and heard, and that they are part of the process. So, we're going to continue to work towards making sure that we get to all of them instead of many.

The school associate superintendents provide quarterly achievement updates to our municipalities. After September 15, they will be doing another round of municipality meetings where they will be going over the academic results from the 2016-2017 School Year.

The third thing is that we're giving SOTs more independence on how they operate their school. Under the new school-based decision-making model, SOTs have more decisions, ranging from increasing or reducing the number of periods offered each day, selecting programs to help their own climate and culture, or looking at what wrap-around services may be needed for the school. What is it that their students need to help them be more successful? The results of these decisions, as I said, can be found in each school's plan of operation. They are easy to find on the school's website, and we'll get that information to you.

The next thing is budget transparency, tracking and ensuring that at least 85 percent of the unrestricted District money directly services our schools. Specifically, looking at how we can look at the dollars that are both directly allocated to our schools and the services that are provided and paid for centrally that go directly to the schools, either 100 percent of the time or a majority of the time. So, as we looked at that, we went in and looked at our budgets line by line. We looked at how we could focus in on tracking people and making sure that they are successful in what they are doing. We are working on better tracking of our Central Office time. Many of our employees are paid for by Central, but go to a school every day. And it may not be the same school. So, we have to implement a time-tracking system for each of these employees so we can show how we are allocating that time to each of those individual schools, tracking that time to make sure that we are providing the best efficiencies when it comes to delivering those services to the schools, then listening to the schools' viewpoints to determine if changes need to be made in that delivery structure to provide better service to their students. With the implementation of these two structures, the District will be able to measure the true cost of running each of these individual schools, and the principals will have a better picture of how funds are allocated and utilized in their schools.

The next piece that we are doing is developing a process to transfer more authority and decision making to local schools. Specifically, you're going to hear about that from our school associates, so I'm not going to steal their thunder. But we have been working extensively in the past few months to get this process on board. We have to make sure that principals are identifying areas. As you heard from Mr. Vannozzi, it starts with the building principals and their SOTs. We are working to find out where they want increased flexibility and autonomy and to make sure that we are putting the right decisions in the hands of the principals that

they truly want to make. Also, we are making sure that we are ensuring that some of these responsibilities are transferred in the next few months. Our goal is to move along with our TSC² partners and have that transfer of responsibilities work done so that at the end of their 83 days, they are passing the ball to me, and we make sure that I take it over the finish line on January 15 when our school strategic budgets and our new plans of operation for the 2018-2019 School Year are developed by our SOTs.

With centrally controlled money, we have to make sure that we look for efficiencies within our own budgets centrally to determine what services schools truly want, which are required by law, which are not required by law, and if they aren't required by law and schools don't want them, then why are we doing it? So, let's figure that out. We will be going on an efficiency hunt in the very near future. I want to talk a little bit about complying with the 80-20 requirement, and specifically show you some graphics that'll help explain it. First, we're really proud of our staff members who worked hard on this, and as of today, we have identified that 12 percent of our budget is in our Central Services. Of the 88 percent remaining, 55 percent of that is directly in the school strategic budgets, and 33 percent is allocated directly to schools in services provided by Central.

The piece that we have to focus in on is that 33 percent. We know that that 33 percent has to be worked on for transfer, so let me talk to you a little bit about what the breakdown is of that 33 percent. Forty-four percent of that is general dollars, that is CCSD unrestricted dollars. Last year, that was to the tune of \$381,000,000 that we had to put into special education to ensure that we are complying with our federal and State guidelines, and ensuring that each student's individual education plan (IEP) is followed and that we're in compliance. Now, there are things within that 44 percent that are work that we have provided to schools to make things easier, and so we are going to be looking at those areas and seeing how we might be able to transfer the dollars for those supports to schools to determine if they need that support. Or, they could choose to use it in another way to better support the individual students in their schools. When we look at the next piece, which is 38 percent, that includes transportation, school police, itinerant specialists and other services to schools. These are people or supports that are directly provided to the school through dollars that are paid for centrally. So when you talk about transportation, right now we have a requirement that any special education student that, in their IEP, qualifies for service is provided service. That is the only required transportation that we have in CCSD. By policy though, our Board has said oftentimes it is extremely difficult for any student to walk to school over two miles, and we provide transportation to students who live over two miles from their school. Now, we have considered changing the distance over time, and that is something that we may have to look at based upon input and development from schools and families. The other pieces that we have to talk about are school custodians. Those are centrally managed and assigned to the schools, but this requires a policy change on behalf of our Board of Trustees that we will be taking to them and discussing with them, which would allow for schools to have the supervision of their custodians and potential flexibilities in how they provide those services. Last are the school utilities. We know that our schools are not aware of the money that goes into keeping the lights on, keeping the water running and making sure that schools run, so we are going to be working to share that information with schools and looking at ways we might be able to reduce utility costs to see how we can spread the wealth when it comes to the savings as we go forward.

So, let me give you a breakdown even further. That gives you over \$2,300,000,000, almost \$2,400,000,000, of the unrestricted general fund budget. So, let's talk about some of the specifics. When we talk about those percentages, you'll see that the 88 percent covers the 55 percent of the budget that goes directly to school strategic budgets in the first column, which includes our general education teachers, not special education teachers, and our principals, registrars, office managers, first-aid safety assistants and supply budgets. Every dollar that goes directly into the schools is represented in that 55 percent. The second column is services that are centrally paid for that go directly to the schools 100 percent of the time. This includes our special education teachers, special education aides and assistants in the classroom, specialists, library, art, music, physical education, special programs—meaning our self-contained programs that are in schools—special magnet programs and school counselors. Those are all services that we provide directly to the school in one location. Services provided to multiple schools include itinerant testers for second language students, itinerant specialists that go from school to school to cover art, music and physical education when we can't cover it within the school, school utilities, curriculum programs and certain technology aspects. Last are the central services. You can see the Superintendency, Human Resources, Payroll, Business and Finance, Purchasing, Central Utilities, Risk Management and Community Relations. So, you can see how we broke down these dollars.

I'm really excited that some of our school associates are going to come up in just a few minutes, but I want to make a couple of other points in this process. I know that many of our community members want this to work, and they want this work to happen faster. I don't know of any \$2,400,000,000-corporation that reorganizes themselves in less than 10 months. And if you can find one, let me get in touch with the CEO so that I can find out how they changed the entire culture to do it, because I need to learn from that. We are working at a breakneck speed, but we know that the work is not done by any stretch of the imagination. Because of our limited resources, we are being thoughtful about how we do that.

So, I'd like to talk about a few points after hearing the conversations on Monday, and talk to some of the things that we heard from our critical partners. We heard suggestions on Monday from two of our employee organizations. First, I do need to acknowledge that this is the first that I ever saw of their documents. I had not seen the letter from CCEA before it was handed out after Mr. Vellardita started his presentation. I still don't have a copy of Mr. Augspurger's comments. I know we're working with him to get a copy of his points so that we can begin to work on those. One of the things that Mr. Augspurger mentioned was that Central Services should have a service-minded culture and that we should better communicate with our principals on issues such as carry-over funds, and we should include more principals in the planning committees regarding the reorganization. I think he's right on those points. When I gave the task to our school associate team and said that I would really like to create a new set of recommendations to take to the Board of Trustees on how we might be able to fill this budget shortfall, I gave them 3 days to do it. When I have them 3 days to find \$45,000,000, they jumped at the opportunity for the task. I will tell you, they were able to bring in elected principals from their peers to help them with the work. They were able to bring in central divisions and departments, and they came up with a fantastic list. It has both strengthened and divided our team in some respects. Something that we have to work on is building that team back up to create that Superintendency team that's talked about in some of the research that we've been using to develop our central structure. I think it's important to say that we've

had initial discussions about how we could transfer more control, and we are working hard. I've given them that task as well, because they have to be the liaisons between the schools and Central Services. They are the connecting piece, and they're going to talk about that a little more. But we need to work on further conversations about how we can develop this, because we are going to go through a transfer of responsibilities process for this fall to put these responsibilities in place for the 2018-2019 School Year. But we will start again next spring planning for the 2019-2020 School Year. This is a cyclical process, and it will continue every year. We have to make sure that we have done the work to get it right. It is a challenge, and we have to make sure that those systems and structures that we set up are ones that have buy-ins. That's why some of these tracks have been given to our central people, our Superintendency and our Central Services, to work together so that we are building that from the bottom up. Principals and SOTs are engaged and will be engaged in this work all the way through this process.

We also agree that some of the discussions on Monday showed that we need to better establish the mechanisms for resolving disagreements, and we do have that in place in the law. It is a chain of command through the school associates up to myself, but we have to remember that not every SOT is going to run smoothly this first year. We have 328 of them, and we understand that we have to continuously train people to be better collaborators within that group, including making sure our principals understand not only the intent but the letter of the law that they must comply with. So, we are working on those processes as we go forward.

I will say one thing about the comments from our two partners in our employee associations. It's essential that the District maintains and supports the schools in certain cases where employees either are accused of inappropriate or ineffective behavior or actually have committed inappropriate or ineffective behavior. And so, we have to have some of those departments to support our schools. Otherwise, in this situation I'm happy to talk with our community partners about how we might be able restructure some things. I think it's important, but I want to point out that just last Friday through the work of these central services supporting our schools, our District won an arbitration involving a teacher who was caught watching sexually explicit material on his computer in a classroom with students who were working at their desks. So, we moved to terminate him immediately, and we were fought with opposition from this employee group. We can't have people like that in our classrooms, and we have to fight and have to have the support to the schools to make sure that we follow procedures. It may not be the same structure, but we have to ensure that those supports are there for our schools, because our principals do not have the ability to understand the legal aspects of terminating an employee or disciplining an employee, so we have to have some guidance there. I also look forward to developing better partnerships with our associations as we work together.

On Monday, there was a question about our budget shortfall and whether the reorganization had influenced our shortfall. So, here's what I would say to that. The reorganization has changed the entire way that our budgets work from here on out. We can no longer budget from a District level. We have to budget at not only a central services level, but at an individual school level, and changing that mindset is very difficult. So, in a case like this year where we are struggling to fill a \$45,000,000 budget shortfall due to many things that happened late in

the month of June, including some unexpected revenue losses, arbitration decisions that came that we had not budgeted the full amount for, and making sure that we do things correctly, we didn't have any piggy banks to go to and get money. It is not there. When you look at the 12 percent of our budget that is central services, there is no place to go anymore. So, we have to look at how we budget from here on out. I'm extremely pleased to have Mr. Jason Goudie on board as our new Chief Financial Officer. He is going to be an essential member of our team as we go forward, because he not only understands structures of accounting, business and finance, he understands what it means to take a company that is struggling and make it into one that is out there for sale and sold on the business market. He's been able to do that twice in his career, and he is going to help us change the way we think about budget and finance and the way that we approach those in CCSD.

So, members of my staff have been working around the clock to implement this bill, change our culture and put the needs of our schools on the forefront with everything we do. With transparency support, we understand that and we have been more transparent in the way that we are doing business. and we will continue to be so. I am so appreciative of the Legislature that gave us \$17,000,000 for our human capital management system. We are on track to begin the work after the Trustees receive the budget bids. We will be on track to implement the work starting in January for an implementation of dual systems in January 2019, and then we will phase out the old system as we make sure that the most important system within this is taken care of, which is payroll. We want everyone to get their checks on time.

The reorganization really focuses in on how we can take and give more monies to schools. But I do see some challenges, and I pointed these out Monday and I'm going to point them out to you because this is going to be my new mantra before the 2019 Legislative Session. When a budget is created at the Legislative level, there are things that the Governor says that he puts into the budget, but it must go through the Legislative process and be signed by the Governor before it's enacted. One of the things that the Governor said in his state of the State address was a two percent increase for all State employees. That means State employees and not educators in public and charter schools. There is no automatic increase that is included. It's included in a different funding bill that is to State employees. So, we actually worked under the premise, I believe until April, that we were going to receive \$152 extra per student. When the funding bill came out at the end, we received \$126 extra per student. If we were to give our employee groups, all five of them, a one percent cost of living increase and an additional \$1 for healthcare and the steps that they have earned on their salary schedule—the steps or roll-ups, whichever way you want to refer to it—it would cost us, or we should have received, an additional \$159.14 in our Distributive School Account (DSA). We are already dealing with a shortfall because we received an additional \$126, so we're already behind when it comes to our budget. In the second year of the biennium, where we would still need the same amount to carry forward, we are receiving an additional \$79. The gap widens at that point in time. So, we need to be saying to our Legislature, if it is the intent for our Legislature to give cost of living and ensure that they have healthcare insurance and ensure that they are moving down our steps, those dollars now have to come from somewhere, because when we are limited to 12 percent of central budget just to function, that does not include pay raises unless we look at our budgeting at the strategic level. So, we have to be

very careful how we go forward. We need to make sure that we are focused in on the next Legislative session and what could happen.

In our human capital management bill, there was also a bailout for the Washoe County School District because they were only receiving a very slight less than \$20 increase per student. Yet, they were dealing with a budget shortfall. I reminded the Legislators that in 2015 when we received actually \$15 less per student, the same bailout was not afforded to us. We cannot continue to sacrifice southern Nevada dollars for everybody else, and that's why it's essential that the Nevada Plan be revisited in the 2019 Session. We had a great start with S.B. 178. It is a great start to the weighted funding formula, but we have to make sure that our Legislators understand that.

The last piece that I want to talk about is class size, because I get criticized for having large class sizes all the time. Our class sizes in kindergarten, first, second and third grade are at 21-1. That's what we staff on. But we can have no kindergarten class larger than 25. In first and second grade, it's 16-1, and 19-1 in third grade in our one and two-star schools. Then our three, four and five-star schools are 20-1 in first grade, and third grade is 23-1. Our fourth-grade class sizes are 33.5-1, as well as our fifth grade. Our middle school class sizes are staffed at 36-1, and our high schools are at 35.5-1. I want to remind you and have you check, because it's public record, that the Washoe County School District, in fourth through twelfth grade, has class sizes of 28-1. For me to get down to 28-1, it would take an additional \$125,000,000 and it would require us to hire 1,860 more teachers. We can no longer say that what the money is going to in the Nevada Plan is equitable. It is not. So, we have to make sure that we are taking southern Nevada money and keeping it in southern Nevada.

I was extremely disappointed with the marijuana tax, with it being put into the same funding plan that has been in place and shortchanged Clark County since 1967. We need to look at different regulations so that the money that is created here in Clark County stays in Clark County and goes to education, because that's what the voters thought would take place. We need to make sure that money is going to be in our schools. I can't increase money to schools if I don't get more money, because I have to pay for employee costs, I have to pay for their salaries and I have to pay to keep the doors open and the lights on. So as we go forward, I'm asking you all as the CIC to heed those words and take up the cause for our southern Nevada students. With that, I'm going to turn it over to our school associate superintendents.

Erin Cranor (Member, Clark County School District Board of School Trustees, District G):

I just want to follow-up, and maybe put into different words, and support what Superintendent Skorkowsky's been trying to explain. Because we are doing resource allocation differently now and it is divided among all the schools this way, Nevada needs to look at CCSD differently. Many, many times in the past, a shortfall at the State level has been solved by saying, "Let's take \$80,000,000 out of the debt payment of CCSD," or in one way or another, "Let's cut them by \$15 per student" most recently, because there was an attrition-centralized account, a resource so to speak, that the State has seemed to feel that it could rely on to solve those problems that happen when things happen in late June and school starts in August. We do need the State to look at CCSD differently now, because it is not an entity

that's ever going to have those kinds of groupings of money ever again. It is just like, and it needs to be thought of like, 328 school districts. How much money are you going to take from each one of those schools to solve your Nevada budget problem? Just stop doing that. That's what needs to happen. No longer should the State, and it's very arguable that they never should have, but no longer is it really possible for the State to look to the School District as the place to go when the State's up against a budget shortfall or a budget wall and needs to find an outlet. The School District can't be the outlet anymore.

Mr. Husson:

I wasn't sure when this conversation was going to come up in the scope of this work. I knew it would though, and I'm glad it has now. Many of us that were on the Technical Advisory Committee, in thinking through what the proper organizational structure should be, contemplated this very time, and quite frankly, this is what should be happening. Essentially what we're doing through this reorganization now, with "we" meaning the community, is protecting our schools, because the decision that we've made is that rather than taking money that would have reverted back to the Central Office from attrition or by not paying full-time people but rather paying part-time folks in the classroom, instead of that reverting back to the Central Office which then could be distributed elsewhere or used, as you say, as a piggybank, it now has to stay in those buildings, and it has to be used to support the children that are in those buildings. Those are our most vulnerable children. So, what we've done now is said to the State and to the taxpayer and to other folks in the community, "You can't come to us for money anymore because we're using it to support the kids that need it." And so, we have to figure out another way. And this wouldn't have happened if we didn't undergo this entire exercise. So with the reorganization, while it is important for the District to undertake operationally, it's equally important that we got here, because as long as I've been involved in education issues, the argument has been, "We need more money," "Use your money better." "We need more money," "Use your money better." And then the District itself is put into a position to say, "Well, I guess we do have some over here. We can scoop it over." But that's never been the case. That money has been taken out of the buildings that need it the most and away from the kids who are suffering the most, and now that can't happen anymore.

So, we're really going to find out what the will is in this State to properly fund education. And I don't mean that in the classic sense that we have this debate. I mean, are the parents who are now involved in the SOTs going to go to their school and work through that budget and say, "You know what, maybe we do have enough here if we do things differently." They'll have the power to do things differently, but will they have the resolve to do things differently? Or, will there be a consensus amongst these SOTs to say, "Hey wait, there just isn't enough for any of us. We have to go and lobby our elected officials as a group and as a community," instead of Superintendent Skorkowsky and CCSD going hat-in-hand to the State saying, "Hey, we just can't do it," and having them in return say, "Oh, yes you can." Now it's going to be the entire community that has to go and say it as one, behind the School District or with the School District, and like I said, that was part of the calculation in all of this from the beginning. Because without that, we know through history that we get nowhere. So, I'm glad you brought it up, Superintendent Skorkowsky. I think it's probably one of the most important parts of this entire discussion. It'll probably continue to be a part of the discussion now, and I'm sure that all of us in this room at least are going to be happy to support the work that

you're doing to make that known. What the outcome will be is far from certain, but there's an election coming up.

Chair Christenson:

I would echo what Member Husson has said. I think that's the real advantage of doing this whole reorganization, trying to get more people involved. In my time on the SAGE Commission in the last biennium, if you take the total number of students enrolled in Clark County as a percentage of the total in the State, you take the total DSA of the State and you take the total percentage that comes to Clark County and you look at that delta, it's around \$60,000,000 a biennium that Clark County is essentially subsidizing the balance of the State. I don't want any students to be under-served. We have to educate every kid in the State. But I see Senator Roberson here, who's been a real champion for education. This is something I really do hope that the Legislature will take up next time. We've been talking about the Nevada Plan and its inequities for so long. I'm just hopeful that at some point in time, we can actually get something done there.

Brenda Larsen-Mitchell (School Associate Superintendent, Performance Zone No. 12):

At this time, we would like to proudly recognize our fellow school associate superintendents and the Chief Academic Officer, Mike Barton.

Assembly Bill 469 articulates that the Superintendent must assign school associate superintendents to supervise local school precincts, of which each school associate superintendent must not be assigned to supervise more than 25 local school precincts (Exhibit D). As a collective team of school associate superintendents, we have embraced the meaningful and purposeful work of serving and supporting our school communities, supporting site-based decision making and making sure that decisions are made as close to the school as possible. As leaders within the District, supporting and serving our schools to promote student achievement is the center and focus of our work. As you look at the presentation, you can see that these are our responsibilities. We're responsible for training and the supervision of principals. We also review and approve the plan of operation, which includes the school performance plan and the strategic budget. We are also charged with ensuring that our schools follow federal, State and local laws. We provide quarterly municipality reports and other duties as the Superintendent decides. We are also held accountable for school community satisfaction and school performance.

The role of the school associate superintendent is extremely important within the school-centered organizational model. We are held directly accountable for the performance and success of every school that we serve. The center of our work is student achievement. As school associate superintendents, we serve as the bridge and the conduit within the organization. We represent both the Principalship and the Superintendency. The Superintendency includes the Superintendent, the Deputy Superintendent, chiefs representing Central Services, the Chief Academic Officer and all of us collectively as school associate superintendents. As we work alongside principals in schools, we represent the Superintendency, and as we interface with the Superintendency, we work collaboratively with leaders in Central Services to advocate for high-quality customer-service supports provided

to our schools. We have firsthand knowledge of what is occurring in schools related to Central Services supports. We strive to eliminate systemic barriers facing principals, advocate for coherence of a school-centered organizational model and maintain structures that have successfully supported schools.

As the Superintendency, we have been more involved in the decision-making process to make decisions closer to the school. For example, the Superintendent, and you heard him speak about this, recently charged us as a collective group of school associates to make recommendations regarding our current budget shortfall. The center of our thinking was student achievement. This was a collaborative process. Division and department leads in Central Services and principals provided very thoughtful and meaningful feedback and input, and ultimately the school associates made recommendations to the Superintendent. As we did this work, our goal was to keep the impact of the budget shortfall as far away from students in schools as possible. Our starting point was to review all of the budget line items within our organization. Through this initial step, we as associates identified areas for consideration and input that needed to be gathered and considered from department and division leads. The associates and a group of principals met with division and department leads to gather input on specific budget items within their respective areas. Associates and principals reviewed the information. Principals, as in independent group, were then asked to use a ranking system for each potential cut for recommendation to the Superintendent. After receiving input from the principals, we as associates then went through the same ranking process. Based on the collaborative process with meaningful input from division and department leads, principals and school associates, the school associates superintendents made a recommendation to Superintendent Skorkowsky. This is a very recent example of how we have been more involved in the decision-making process to support a school-centered organizational model.

We do other things. We also serve as coaches and mentors for principals and engage in reflective, collaborative and growth-oriented practices to build positive, trustworthy relationships with school principals to provide a climate and culture that promotes professional growth and builds the capacity to ultimately improve student success. We believe in the people we work alongside in the District and the students, parents and community that we serve. We believe in Clark County Schools Achieve.

To begin to articulate how our work is being integrated into the operations of the District, my peers Grant Hanevold, Lorna James-Cervantes and Antonio Rael will share with you how our team is working to increase autonomy for principals and to move dollars from Central Services directly to school strategic budgets.

Grant Hanevold (School Associate Superintendent, Performance Zone No. 2):

I am here to discuss the District's plan for increasing and expanding school autonomy and to update you on the work done thus far. The first thing we needed to do was work through the compliance with 80-20 and 85-15. We did that by defining the allocations to schools that exist now and building our capacity to account and report on those allocations at an individual school level after the services have been rendered each year. We are also working towards increasing specific autonomies and flexibilities for schools by allowing principals to define where they believe autonomies exist, identifying where principals wish for increased

autonomy and flexibility, and finally by working with principals and department leaders to define those individual relationships and implement purposeful change. We are also working towards increasing the amount of funds available to schools to support the increased autonomy. We are searching for efficiencies within the budget outside of schools, and we are working through the process to transfer responsibilities to the schools and move those dollars ultimately into the school strategic budgets.

This next slide is an important one, so I'm going to try to paraphrase my way through this. We identify autonomy in terms of the opportunity for the principal, with input from the SOT, to make decisions about what the desired outcomes should be for an activity. We also define autonomy in terms of the opportunity for the principal, with input from the SOT, to determine the mechanism for how those outcomes are achieved. Finally, we recognize that if funds are available for an outcome, how the principal has access to those funds has an effect on how autonomous the decision making is around it.

So on this chart, you'll see an autonomy scale. We sent out a survey, and it allows principals to report on their perception of autonomy in a way that can be used to analyze and compare the responses. To clarify what we're looking at, we have five tiers of autonomy. In tiers one and two, you will see that the money for that level of autonomy resides at the school in the school strategic budget. Tier one autonomy means that the principal, working with the SOT, essentially has full autonomy to make decisions for how those dollars are spent and who's involved in that decision making. In tier two, the dollars reside with the SOT and inside the strategic budget. The principal may reach out for assistance from the Central Office, but ultimately the decision making is left up to the SOT. I'm going to jump down to tiers four and five, where you'll see that the dollars reside in Central Services. Things that you're going to notice here, especially in tier five, are part of that 12 percent, and those dollars typically are allocated or they have very little discretion over how those dollars are spent because we are meeting mandates set by the State or law or local municipalities. In tier four, that would likely be part of that 33 percent. The money resides in Central Services, but decisions are made in collaboration with Central on how those dollars are spent. Tier three is right in the middle, because some of those dollars are held in the school strategic budget and others are held centrally. Again, those are some areas where we may get some quick wins when we're looking to transfer responsibilities to schools.

So, you'll see the results of the survey that we put out, and that's where we can really get an idea of where principals have a desired level for building-level autonomy. On this slide, you're going to see a diamond and a circle. The diamond represents which level of autonomy best defines the current experience, and the circle defines what level of autonomy would be preferred in the future to accomplish these goals. We sent out a survey in June and July, which approximately 50 percent of our principals responded to. Again, what we were asking them to identify from a select level of services is where they think their level of autonomy is now and where would their desired level of autonomy need to be.

So, I'm going to show this data in a couple of ways. The next slide just gives you an example of what it looks like on a table. If we're looking at a specific service, this example shows that a principal might feel that their level of autonomy is tier five. They have little or no input. It's a Central Office decision. But principals may say they want that to be a tier two. That would be

an example of somewhere that we would need to look and see how to transfer responsibilities from something that is largely and solely a central decision at this point to a point where they would have the second highest level of autonomy. Actual data is on the next slide.

Overall and on average, principals wanted increased autonomy in every service we asked them about. They did not, however, all respond that they wished to have the highest level of autonomy. This reflects what we already know about how individuals approach the Principalship. Some wish to focus on instructional leadership, while others truly believe that taking over responsibilities for operational and support services will allow them to increase achievement for students. Both of these tend to be true, as a matter of fact. Again, we're looking at weighted averages over a collection of approximately half of our principals, so what you're going to see is some generalizations for what autonomies principals may like to have. But again, Ms. Larsen-Mitchell and I could be principals at schools within half a mile of one another, and I very well may want a higher level of autonomy because I'm comfortable and my SOT has been willing to walk down that road, whereas Ms. Larsen-Mitchell on the other hand may have a more conservative approach and say, "You know what, I'm content with the services provided by the District, and I'm going to continue to retain those services because I'm focusing on other things." It's the beauty of the autonomy model. So, on these two slides, what you're going to see are the results of services that are ranked in order of the largest gap. What you see on these slides is a range of services, and the way they're ordered on these two slides is by the gap between the levels of autonomy. So, you're going from the largest gap to the smallest gap. You'll see at the very bottom of the list are school librarians. Right now, on average principals believe they are at 1.69, meaning they have quite a bit of autonomy, between 1 and 2. But you can also see that 1.17 indicates that they would want even more.

So, you'll see it represented in a different way on the next two slides. What you were seeing on the last two slides is, because the autonomy continuum revealed that principals did not necessarily wish for full autonomy and responsibility for all services, it's important that we look at those services for which it's relatively clear they do. The data represented on these two slides is the same data, the exact same services that I looked at on the first two slides, however these are ranked by the highest level of autonomy that principals would desire. So you'll see the gaps have changed a little bit, but you'll see school librarians at the top of the list. Ironically, that was the lowest ranked when it came to gap, but when you're looking at the highest number when it comes to autonomy, that would indicate an area that principals overwhelmingly feel they would want more autonomy. So, as you go down the list, you'll see librarians, counselors, school class-size ratios, site-based technicians and music specialists. You'll see that sometimes the gaps aren't huge. However, it's pretty clear what principals want to have more autonomy over. At least, it's a general idea of what principals want more autonomy over. What we did is we calibrated this information, and it actually went into the next slide. We took it a step further and combined the rankings to identify those services for which principals want the greatest level of autonomy and for which the perceptions of the current level of autonomy are the furthest away. So, if we go to the next slide, we're going to see the items that ranked on top when we looked at both, when we cross-referenced both of those previous four slides and we combined the data to see where principals believe they would want to have the most input on the decision making. Of course, we are not able to immediately address all of these things that you see on the screen. You see, in terms of the

first response, teacher-student ratio and class size, we have very little control as a District, as those requirements come from State law. So while we may not be able to increase autonomy in those areas, information like this certainly informs and supports our class-size reduction waiver requests in any future legislative work related to class size. But what you're going to see on this slide is essentially a snapshot based on some data that we collected from approximately half of our principals that gives us a pretty good idea of where we want to start looking. This is work that we're going to take forward at our level meeting when we meet with all elementary and secondary principals next week, and we're going to ask our principals to dive into this data as well and work collaboratively in small groups to see exactly what they do want to take over. There's not one right answer. That's the beauty of autonomy, that we're looking at some generalized data here, but essentially, you could have principals who want to go down a different road based on their skills, their knowledge and their appetite for moving forward with more responsibilities.

So, with that being said, I'm going to turn it over to Ms. James-Cervantes, who will walk you through the process of transferring the responsibilities.

Lorna James-Cervantes (School Associate Superintendent, Performance Zone No. 5):

As Mr. Hanevold said, we now have the ability to focus in on some very specific items for which the level of autonomy can be examined and increased for school leaders. The work related to the transfer of responsibilities is the work that will allow us to move dollars from central budgets into school strategic budgets. And again, this work is the next step in the progression that began with surpassing 80-20 and will continue through increasing autonomies and flexibilities to where some very specific, concrete and easily observable changes will begin to take shape.

When we look at the law, in order for additional responsibilities to be transferred to schools, there are four main requirements. The Superintendent must form his recommendations with the consultation of principals, school associate superintendents and SOTs. The recommendations must be made in the best interest of students. Recommendations must be approved by the Board of Trustees. If approved, the District is required to transfer to schools the funds that would otherwise have been spent to support the responsibility. To meet these four items, a great deal of detail is involved. We have additional responsibility to consider risk, consequences to the District as a whole, ensuring that principals are provided with the right information for transferred responsibilities and other details that led to the development of a process that is a little more complex and detailed, while meeting the needs of the law. The process identifies how we plan to develop the recommendations with the right information at hand, provide adequate information to the Trustees so that they may review the recommendations and make truly informed decisions, and implement the Board's decision in time for schools to develop school plans of operation and for the Central Office to adjust. The major steps of this process are listed on this slide ([Exhibit D](#)). For a truly detailed look at how we are engaging in this work, I'd like to walk you through the process itself in detail. I know that this slide is difficult to read, but backup material also includes a version of this process that is larger and clearer ([Exhibit F](#)).

Also, before we get into the details of each step in the process, I'll share with you a little bit about how this document is organized so that you have a better idea of what we are looking at as we go through. There are eight major steps represented by tall rectangles with a dark blue label at the top. Within those are activities that describe how we might go about completing each step. At the bottom of each step, you will see a symbol that represents the development of an actual document. This is to provide documentation of the outcomes of the work at each step and to inform work in future steps. You'll also see some representations of repeated opportunities to ensure that the Board is provided information throughout the work in terms of progress and activities. The arrows illustrate how some pieces of the work are dependent on other pieces, or how some documents inform future action steps. For example, you can see that the documents in the first four steps all point to the Board-approval step in the middle. These documents will contain the information that will allow us to prepare the Board to be able to review the recommendations and to make informed decisions. I'm going to walk through each of these steps so that you get an idea of the work at hand, and then Mr. Rael will speak to where we are currently and where we will be moving in the future.

So, the first step is all about gathering information from stakeholders and resources to begin to form a list of responsibilities that might be considered as recommendations to the Board to be transferred to schools. Further information gathering could include focus groups at the school community and Central Office levels and surveys of various stakeholders, including the survey that Mr. Hanevold spoke to. For example, results from other information collected throughout the year, reviewing vendor relationships that are already in place through our purchasing team and finally, assessing the risk of those items to be transferred so that we might consider whether to recommend a change district-wide at one time or a gradual roll-out over time.

The second step is how we move from developing a list of items to consider into actually beginning to gather information that will narrow the focus. A review of related requirements or standards from policy, law or negotiated agreements might make the process of transferring a particular responsibility more difficult or clearer. We recognize the need to document all requirements and standards so that it is clear what is being considered and, if transferred, clear as to what leaders are responsible for. If required or desired, a request for proposal (RFP) process could take place. This is a decision that would need to occur on a case-by-case basis, and CCSD would need to respond to the RFP as a vendor so the schools would be able to choose between the usage of the District for services or an outside vendor. We recognize that even within responsibilities that may be transferred to schools, there may still be components that remain a central responsibility. We need to be clear about where that line is so that school and Central Office leaders are very clear about what they are responsible for and to what standards their work should be upheld. As you see, this step concludes with a set of documented requirements, standards and potentially bids from vendors.

The next step is to work through the process of assigning a monetary value to services. It would be difficult for school leaders to understand how they should approach meeting requirements without understanding how much money would be transferred to support it. This could not be accomplished unless Central Office departments first determine the amount of money spent on the work to support this responsibility. At this stage, department leaders can also begin to develop budget and staffing scenarios to provide some insight on some of the

possible budgeting and staffing consequences of changing how services are provided. Finally, once we know what a service currently costs and how a Central department might be able to function, we can then determine how we might allocate the funds to schools.

I hinted already at the very real possibility of significant consequences that could take place as a result of a change in how a service is provided to schools. It is important that we document District-level impacts, the need for changing internal processes and operations at the District and department level, and the potential for the need to revise related policies and regulations. This step will result in documentation of consequences that should be considered as the Superintendent forms recommendations and as the Board makes the final decision. By the time we get to the point where recommendations are being provided to the Board, they will have had multiple opportunities to be informed about the work. The idea is that we are best able to support their decision making. Once the Board makes a final decision, we will have a Board-approved list of responsibilities to be transferred to schools. We then can spring into action and update strategic budgeting formulas and include the newly documented requirements and standards for transferred responsibilities in the school program, planning and budgeting guide. With that information, principals and SOTs can work through their processes for developing the plans of operation. Schools will determine which services will be purchased from Central Services through their strategic budgets. With that information, departments will be able to finalize budgeting and staffing plans. We will also be able to engage in the finalization of changes in processes or operations at the District or department level, and any potential changes needed to policy or regulation that we identified in an earlier step. Mr. Rael will now guide us through the next phase of this process.

Antonio Rael (School Associate Superintendent, Performance Zone No. 15):

As you look at the document on the screen (Exhibit F), it's important to clarify that this is not a chronological map. Things will not necessarily happen in a chronological order. Many of the things on this map will happen simultaneously. It is a process map, however, to make sure that we have the appropriate input going through the transfer of responsibility process.

This brings us to where we are today, in the beginning stages of the work. As noted earlier, we have begun the process of gathering information from our stakeholders which will inform the initial recommendation list of potential transfers to our Board. While we continue to gather information, some advanced work in monetizing services is taking place simply for the sake of speed, and some Central Services department leaders are already working through potential budget and staffing scenarios, consequences and additional impacts.

Next is our slide which has the graphic of the 88 percent (Exhibit D). As we talk about the idea of transferring responsibilities, it's important to connect back to the 88 percent. When we speak to the ability to increase funds to schools, as you look at the graphic there, what we're talking about is moving the 12 percent in central services and the 33 percent in direct services into the 55 percent, which is the strategic budgets for schools. So, that's the goal that we have. As you heard earlier in the presentation, we as the school associate superintendents find ourselves in a very unique situation. We are the bridge of opportunity. That is, when we work with principals, we wear our Central Services hats and represent Central Services with the competencies that they need and understand how that world works. When we work with

Central Services, we have the hats of principals on, so we represent the schools and their needs overall. That gives us a really unique opportunity to be a bridge and effect the real change of transferring responsibilities in a way that affects the school's day-to-day life for our principals and our school communities. It is in that capacity that the Superintendent charged us with moving the 33 percent from the direct central services into the school strategic budgets, thereby granting them more autonomy for their work.

So, that brings up the question of how we actually do the work and where we're at today. The survey results that Mr. Hanevold just spoke to were the starting point for identifying where to begin this work. We've taken the data from principals and their recommendations to our Central Services colleagues already, and they have begun to produce executive summaries for those dollars that could be potentially transferred. That includes requirements, standards, monetary values and possible consequences, which are documents that we're referring to as "orange and whites," and these are in the areas in which the principals have initially expressed the greatest interest for increased autonomy. So again, these orange and whites include dollar amounts for services so that our principals will be well informed as they bring recommendations to us, legal implications and potential unintended consequences of moving those dollars and services to the schools.

Next week during our principal-level meetings, which is the elementary, middle and high school principal-level meetings, we will present to our principal colleagues the \$2,400,000,000 itemized budget and begin to build their competency on where every dollar at CCSD sits. That will be a huge step for what is known by our principals overall. They will also have these orange and white documents so they understand, "If I move this money, say from landscaping, to my school strategic budget and have some flexibility in this, what are the potential unintended consequences of having those dollars and responsibilities on my school site overall?" So, as we work through this, the principals will then begin to process how and which parts of that 33 percent they actually want to see on their school campuses, and that will begin to refine their survey feedback and give us the data we need to move forward. From the time of the level meetings next week to 2 weeks later, the principals will then go back to their school communities with their SOTs and communities at large and provide the same information back to them and solicit their input as to where they want increased autonomy for their school. Two weeks later at the performance zone meetings, the principals will bring this information back to the 16 of us, who will then collect that information, synthesize it and present recommendations to the Superintendent and then on to the Board as he deems appropriate.

With that, I hope that you see as you look at the final slide the depth and the power of this process as we include the schools, the school communities and the SOTs in the recommendation of transferring responsibilities from the 33 percent into their strategic budgets with enhanced responsibility and opportunities. We're thankful for the opportunity to share this exciting opportunity with all of you, and we look forward to any questions that you may have.

Ryan Woodward (Area Manager, JPMorgan Chase; Member, Las Vegas Metro Chamber of Commerce):

That's quite the process map. It seems to be pretty well thought out. I've got to wrap my head around that a little bit more. There's a lot of information there. As you were talking through the autonomy model, we had a robust discussion about this in the last meeting. I'm trying to balance dictating or allowing the principals to not assume responsibility versus giving them all responsibility. What does the end model look like with what you guys are talking about here as far as their responsibility?

Mr. Hanevold:

It's a hard concept to get through to a lot of people. In a perfect world, all dollars would go to the school. When we decide which services and dollars go to the school, the principal, with the advice and assistance of the SOT, may choose to go a different direction, for example in custodial or landscaping, or they may choose to keep the service that's provided by the District. But when Mr. Rael referred to the orange and whites, these are documents that are going to show, if you choose to keep the service of CCSD, it comes with a cost. So essentially what autonomies SOTs and principals ultimately are going to have is they're going to have to weigh the decision and say, for example, if it costs \$50,000 to provide the landscaping services for 1 year at x school, and they find that an approved outside vendor could provide those services for \$25,000, they may say, "You know what, I'm willing to take the risk." There may be unintended consequences for having an outside vendor, so they would be aware of all the risks associated with saving essentially \$25,000 that they could push back into the school budget. But again, it hinges on the fact that a first-year principal may not want to take that on. And that's where the autonomy kicks in, because all of our principals are at a different level. As a first-year principal, I was trying to wrap my brain around just the instructional leadership component of my job. But by the time I was in year 12, I don't think taking on those additional operational things would have been a huge task for me, because I would have already had my head wrapped around the instructional side. So, I hope I've answered your question about the autonomy piece. Every principal will have autonomy, but some principals may choose District services in the way that they're being delivered right now, and they will just hand over the dollars associated with the cost of those services. So, the autonomy exists for all, but how they utilize it and how they spend those dollars is different.

Mr. Woodward:

Thank you for that answer. Let's say that you, in year 12, are comfortable with some of those services. You save, for example, an extra \$100,000, but you don't need to spend that this year. Do you get to keep those dollars and then use those for a project next year or the year after? Is there an account set aside for those principals who are more efficient and can operate that way?

Mr. Hanevold:

It's actually written into A.B. 469 that carry-over dollars are guaranteed to stay with the school. So, you're going down the exact path I would as an experienced principal in saying, "How do

I utilize these dollars in the best capacity and how do I work with my stakeholders to ensure that we are meeting the needs of our students, and potentially saving dollars that we could reinvest in a different way the following year?"

Ms. Cranor:

I just want to thank the associate superintendents and all the people who put this together (Exhibit F). It's not the most attractive document, but it's a very comforting document and structure that is now available so that parents and Trustees, who have a lot of the fear and a "what could go wrong?" mindset, have their concerns allayed about the reorganization in general. Because for unintended consequences, this provides several fail-safes and several ways to catch an unintended consequence in the life of a student or their family before it happens. One of the really important things for us to keep in mind as we plow forward very rapidly, and as we've talked about several times today, this is a very, very rapid reorganization, is that there are students in our schools right now. They start school Monday, and if unintended consequences happen, people like to say, "Children are resilient," et cetera, et cetera, but it's a school year gone. It's their junior year of high school or it's their seventh-grade year or it's their last year of elementary school. I very deeply appreciate and want to say thank you for the very thorough thinking through of, before we take the action that could very, very significantly and fundamentally affect the life of a student, we're going to think through what that's going to mean for the student. That's really what this document does, and to me it's a critically important piece of this reorganization doing what we hope, which is to turn out to only do good, only create better student success and not result in harm to any student.

Mr. Woodward:

Who approves the vendor process? Who's going to decide who's an approved outside vendor through this whole process?

Mr. Rael:

The Purchasing Department will facilitate the RFP process. There's a very specific protocol that vendors will go through, and that committee will include building principals as well through the approval process.

Mr. Woodward:

Tell me what that committee looks like a little bit, if you don't mind.

Mr. Rael:

I don't know that I could answer as competently as my colleague.

Ms. James-Cervantes:

I've served on those committees for RFPs in the past. So, those committees generally are comprised of groups of people from the Central Office, as well as principals and those who might be utilizing those services within the school system. So, it's a committee of people from across different levels of service within the School District who are a part of that process. That process also has several steps to it, from putting out the request for information to a review process to see whether or not the actual responses to the bid or the RFP match the outcomes that were requested in the RFP. The next step is to have presentations by the vendors themselves with a separate committee of people who then review them. In the end, all reviews are taken to the Board for final approval.

Mr. Woodward:

Being a business guy, I appreciate competition, and I recognize providing vendor RFPs creates that. I also recognize the unique nature of what we're dealing with in the School District, where people's contractual jobs today are potentially a part of this conversation. How do we balance that, and is that a multi-year process? How do you see that happening?

Mr. Rael:

I think this is one of the challenges of autonomy, the consequences it could potentially have for employee groups. Certainly, the reality of supply and demand will dictate what that looks like over the course of time. The Purchasing Department has established a timeline for RFP processes so that recommendations are made in an appropriate time so that actual dollars hit school budgets on January 15 as required by the law. So, that timeline is an annual timeline. To answer the question, it's a 12-month timeline each year.

Mr. Woodward:

Kind of. It's still fuzzy, but I think I just need more information. I'm trying to put this all together.

Ms. Ortiz:

I'm happy to elaborate a little bit, if that'll help?

Mr. Rael:

Please.

Ms. Ortiz:

What will happen is, the RFP process will take place. Let's use landscaping as an example. Let's say we get 10 responsive providers from across the community, including some of our rural areas, and 5 of those are approved vendors. As the budgeting process goes through, each school will decide, "Am I going to pick CCSD as my vendor, or x, y and z company?" Based on the company they pick, then CCSD's Landscaping Department can then budget

accordingly as to what their staffing needs are going to be. Because if they lose, for example, six schools that they're providing services to, they can either let go of people or rearrange, or not hire as many in the next school year, whatever it takes. As everyone knows, we're adding about as many schools every year, which means more hiring anyway. So, that's kind of how the process would work, given that it all flows smoothly, obviously.

Mr. Hanevold:

Just to add a little bit more to that, the process when principals make decisions is in January for the school year that starts in August. So, keep in mind we're not making these decisions and then having it affect our employee groups immediately, because there needs to be an ample amount of time for those central services departments to plan around exactly what principals are choosing to do with their autonomy.

Mr. Husson:

So, to Member Cranor's point, I do appreciate the visual representation of the process that you all are putting together (Exhibit F), and I do think it will provide a lot of people comfort. What I would say to you, and I'm sure you've already contemplated this, is you'll find that this is awesome until you have to use it. Then you'll find where it's not awesome and you'll fix it. And that's the whole point. That's what a good team will do, is realize, "Oh, we forgot something," or "We need to add something." It'll be a living document, if you will. But what's exciting is that you've thought through it all as completely as you possibly can without having done it yet, and then real-world experience will inform you and you'll make adjustments and it'll be wonderful, I'm sure.

But I didn't want to leave the meeting today with the potential that Mr. Skancke would be the only person in the room not liked, so I wanted to bring up an issue. I think it's probably time, and you're the folks, the Superintendency as a whole, who probably need to contemplate it. We originally addressed, with the Technical Advisory Committee and then somewhat with the Legislative Committee that supervises this group, the idea that schools should be paying for the actual amount that teachers make within those schools. At the present moment, they don't. I submit to you all as the Superintendency that you will not get the appropriate work done in schools until that transition is made. For principals, 80-whatever percent of their budget goes towards the human capital in their buildings, and there's great disparity in that human capital. There's nobody that can deny that, and if we're not reflecting that disparity in the numbers they use to budget for their buildings, then there are artificial winners and losers. That's the same thing that we have today in the bigger process that we spoke about earlier where the districts are getting different amounts of money. It's the same thing now at the school level. That's your problem to solve. I know it's partially a political problem, but I don't think it can go ignored much longer, and I think the current time is probably best because you have a venue for it to be discussed. You have much of the community involved in helping work through it, and you could probably find a more expedient political solution now than you would 1, 2 or 3 years down the road. I just want to put that on the table. I think it's an incredibly important topic to address, and I think it's the one that can only be addressed by you as a group. So, I'd encourage you to take that on, if you haven't already. Other than that, I have

nothing but positive feedback for everything you all have done. Thank you very much for your time and effort.

Mr. Hanevold:

I think you're right. We have to contemplate all of those things. But the way A.B. 469 is written right now, it's actually written into the law that averages are the way that the money is going to be allocated. So, right now, that would require a law change to go down that road, the way I understand the law.

Mr. Husson:

I didn't read it that way, but you're probably right. If that's what needs to happen, I guess that's a recommendation for this body to make to the Legislative Committee.

Ms. Ortiz:

Just so you're aware, the State Board did negotiate heavily for that to be changed to actuals, and we wanted that to happen in year two of implementation. We didn't get that in the original A.B. 394, but thanks for the reminder. We would like to see that happen. When I heard on Monday that it was changed to the average "new" teacher salary, my blood pressure rose quite a bit, because that's not what was expected either. We want equity across the School District, so that means transparency, and with that transparency will come more trust. And it will also, to Member Husson's earlier point, ensure that our community is well informed to help us to lobby the Legislature for more money. If we don't know what we're truly paying for stuff, especially the most important people sitting in front of our children, those teachers, then we can't lobby for more. I've been a huge education advocate for a long time, but my last year and a half with the State Board and now this position have opened my eyes tremendously. I thought I knew, but I had no idea. So, I am a much better advocate today, and I still have a lot to learn. So, imagine all of those SOT members, especially the ripple effect that that will have in our community, when they're now informed as to what it truly costs to run a school, and what it costs to provide the wrap-around services and the transportation and all of that, and the impact that little changes can have. I was having a little side conversation over here about the fact that Spring Valley High School changed their lights to LEDs and is saving \$10,000 a month on their electricity bill. Imagine if we did that across the District. So, it's taking those types of initiatives that have long term impact and also providing the transparency so that we have an informed community. They're not just griping about the negative, they're actually pushing the positive and pushing for additional funding for our educational system. That's going to drive his whole thing forward. And I also wanted to mention that I think that we keep talking about the 83 days, and I appreciate that, but at the end of the day, this is never going to end. There's always going to be changing needs, there's always going to be changing dynamics because of politics and bureaucracy, so there's no endgame. We have to continue fighting this fight forever. I'm sorry, and I know you guys are probably exhausted, but we're all going to be exhausted for a long time, because there are always going to be more kids to educate. And so, we have to continue achieving the goal, but with new needs coming up all the time. What we needed when we were in school is totally different than what the kids need today. Don't think that there's a light at the end of the tunnel.

It's going to keep going away. We have to just keep working, so I don't want people to have the misconception or the expectation that this work will ever be completely done. It's something that we're going to have to keep doing forever.

Ms. Cranor:

That's very well said, so I hope everyone took it in. Most of the people in this room already know that, "Here come new kids, here come new needs." It's a reality all the time. A little good news: the LED savings are being taken advantage of and being built into all the new schools.

I just wanted to provide a little bit of context on the actuals. This actually is a very important topic. In February of 2014, the Board spent a day with Dr. Marguerite Roza and developed a consensus to go ahead and move to actuals in 2014. So, in that fiscal year budget that was coming up and ever since then, it has been roadblock after roadblock after roadblock. You almost need the decision sheet just for that, because there are so many complexities to that and so many implications. But it's definitely worth it. It needs to be going on to get there, in a meaningful way and in a way that, again, only does good. We've got to keep Hippocrates' Oath in our minds, that we want to only do good. We don't want to do any harm, and we especially don't want to take a whole year of kids and have them lose a year that should have been productive for them. On the actuals, yes, engage and keep working on it. We've been working on it since before 2014. We've been working on it in a concerted way since 2014, and as you can see by the situation we're in right now, it's a very difficult move to make.

Mr. Husson:

My point is that you all, the Superintendency, are the only group that will be able to devise any realistic way to move to that, whether it's in the law or not. We can help you change the law, but if we don't have a practical solution for the implications, then why would anyone move forward to change the law? Clearly, they kept it at averages, I would assume, because the unintended consequences could be pretty dramatic. But we can't let that stop us. We've got to have great minds like yours all working together and expanding your reach to the principals and expanding their reach to the teachers to really think about this. All of those brains together will come up with a solution, I'm sure. And that's why the reorganization is happening, so that we can tap into that. Member Cranor and I aren't going to figure it out, I can guarantee you that.

Chair Christenson:

I just want to make sure I understand. If I'm a principal, I've got my strategic budget and then I've got this orange and white book. I'm then able to kind of slice and dice how I want. I'll know what my budget is, and then I'll also have a very good idea how much revenue that I'm going to get as we're going through this process. By January 15, I'll have everything all in line, my strategic budget, how much money I'm getting, and we should be in good shape? That's a lot out of 350-some schools, so that's impressive. What are the biggest challenges holding you back now in getting this work done?

Mr. Rael:

That's obviously a pretty vast question. One of the challenges that I'll speak to specifically is the challenge with the orange and whites. So, those documents sound fairly simplistic to create, with legal implications, concerns and unintended consequences, but the reality of determining the actual monetary amounts by school is exceedingly complex. So, imagine landscaping for a small elementary school versus a high school. High schools themselves have very different amounts of space for custodial landscaping. So, it's a challenge figuring that out. I know our department leads have worked on these documents in time for those high interest areas for next week's meeting, and that work has been exceedingly difficult. I think a continuing challenge for us as we go forward is figuring out how to get actual numbers by school versus average dollars for schools in general. I think that's one complexity in trying to figure out how to work through. It's being worked on now, but it's going to take time to figure that out in a way that makes sense for those budgets by January 15.

Mr. Hanevold:

I think time is the biggest barrier we have right now, because we have a lot of work to get done by January 15 if we're going to push out some autonomies to principals. We have some generalized data that we've already collected as far as the autonomies that we believe principals are going to look to, but we're meeting with principals starting next week and collecting more data at the end of the month and the beginning of September. This will be more specific data as far as where principals want to go. That begins the RFP process, and those of you that know anything about that process know that there's a time constraint. We have from late August until early January to have all those things in place, and I believe time will be our biggest constraint. But that's not an excuse, that's just a reason we may have to work harder to push these things through and make sure that we're doing the right things for kids.

Ms. Larsen-Mitchell:

We have to hold each other accountable to make sure that we're making the best decisions for our students and that student achievement is at the center. As we're powwowing and doing a lot of this work, we tend to be in room 242, where we are a lot. A lot of us got out to schools today, and I know I have more pep in my step because I was out in schools today working with principals and teachers. I'm sure my colleagues would agree. So, as Mr. Hanevold said, it's that time piece, and we're working alongside principals, kids and teachers every day, and we have to be in those buildings. And so, we have to make sure that we manage the time and as we're making these decisions that students are our center focus.

Chair Christenson:

This is kind of completely off topic. We've been talking about money today, but one of the things that was very prevalent on Monday at the Advisory Committee was concerns about customer complaints or whatever, as you well know. I'm assuming that the charge for figuring out a process or procedure for doing this is somewhere on your plate, not that you don't have enough to do already, but that you're working on that as well?

Ms. James-Cervantes:

Yes, we absolutely have already discussed that consideration and are continuing to work through that process as a whole throughout the District. We are continuing to stretch our thinking as we move forward.

Chair Christenson:

Maybe we can at least discuss the status of that at the next CIC meeting.

I will now open public comment.

Ms. Martin:

First of all, I'd like to thank you for your thoughtful questions and comments. That really instilled a lot of confidence in me that my concerns will be heard, and hopefully you will further implement some of the suggestions that I have. I have a few more things on my mind. A more encompassing system of checks and balances is desperately needed to ensure a healthy, open and just environment for the stakeholders. Our children deserve to thrive in the schools where adults demonstrate respectful and ethical behaviors for them to emulate, and I believe that there are some steps that we can take to ensure that. First, perhaps adopting a similar version of the Nevada Opening Meeting Laws so that the SOT meetings can be recorded freely to provide a basis of facts and to reduce and prevent disputes for the future. It can also ensure that we have accurate minutes. All the votes can also be recorded with names to ensure accountability of all the members. This will go far in guaranteeing transparency, and perhaps also proper behavior will be ensured and improper behaviors deterred. Second, I believe processes similar to the balanced governance policy can also be streamlined and adopted to provide strong guidance and to keep the authorities of the principal and the SOT in check to facilitate appropriate and smooth communications. My experience of being bullied and insulted in my SOT meetings would not have happened if these two measures were in place and encouraged. There also need to be clear, thorough processes in place regarding areas such as increased conflict resolution, noncompliance and disciplinary actions. Only then will the kind of abuse of powers happening be curtailed and adequately addressed.

Next should be to create an open access forum, an organization for all the SOT members to communicate with each other in every school, especially those without Parent Teacher Associations. The teachers and the support staff have unions, however parents don't have such things. We are often made to feel powerless and expendable. Therefore, I wish that there would be an organization where we can have dedicated personnel to address all of these issues. There should also be better training for the principals and associate superintendents to address all of these situations.

There are many details of my experiences that I didn't get to share with the Council today. I am available to have further dialogues and address them, and I have many possible solutions. Even though I do hope my situation is unique, from the testimony that we've heard in many meetings, I sadly understand that it isn't. However, from my interaction with other SOT members, I did surprisingly discover that there are some schools that are going much further

in a positive direction. So, there are success stories out there, and I sincerely hope that their experiences are highlighted, examined and incorporated for future trainings and policy making. With the faith that I have, I believe that the people with the right attitude and the correct processes are in place that can eventually make this work successful for all parties at stake. Thank you very much for your voluntary hard work and your time and patience in adopting my suggestions.

Mr. Christenson:

I see no further public comment. On behalf of the CIC, we just want to thank Trustee Cranor for her service. It's been echoed before, but thank you. Our next meeting will be September 13 at 1 p.m.

We are now adjourned.

THE MEETING WAS ADJOURNED AT 3:40 P.M.

RESPECTFULLY SUBMITTED:

Jordan Haas, Interim Secretary

APPROVED BY:

Glenn Christenson, Chair

Date: _____

Exhibit	Witness/Agency	Description
A		Agenda
B		Attendance Roster
C	Jordan Haas, Interim Secretary	Draft Minutes of the July 12, 2017 Meeting
D	Pat Skorkowsky, Superintendent, Clark County School District	Reorganization Update Presentation
E	John Vellardita, Executive Director, Clark County Education Association	Necessary Steps for the Reorganization
F	Pat Skorkowsky, Superintendent, Clark County School District	Alignment of Responsibilities