

Testimony House Bill 1019 - Senate Appropriations - Human Resources Division

March 15, 2023

Chair Dever and members of the Senate Appropriations Human Resources Division, thank you for allowing North Dakota Center for Distance Education (CDE) the opportunity to provide an overview of our services, our work over the 21-23 biennium, and our plans and fiscal request as we move into 23-25. For the record, my name is Dr. Alyssa Martin. I am the new director of CDE. I served as the assistant vice president for Academic Affairs at the University of Mary for six years and the director of Policy Services for the North Dakota School Boards Association for ten years. I'm excited to return to K-12 education and work with the North Dakota legislature, senior and new lawmakers alike.

Recently, the CDE leadership team took advantage of what appears to be the calm after the storm created by the pandemic to reevaluate our role in North Dakota's increasingly expanding ecosystem of K-12 educational services and better define our commitment to our students. I'm pleased to announce that you are the first to see one outcome of that work—our revised mission statement. We have attempted to demonstrate our value-added benefit to the public, reflect our promise to our students, and articulate how we will execute these roles and their aspirational purpose. In sum, we aim not merely to support but to strengthen North Dakota's future through the delivery of virtual education—worked intended to complement the education provided by LEAs. As a lifelong North Dakota native, nothing gives me more pride than working to fulfill this aspiration, daily.

In 1935, the year that this very building, the state capitol, was completed, North Dakotans found themselves at the height of the Great Depression, using every resource they could leverage to persevere, including relying on their children to help keep family farms operational. Recognizing the reality of the times, the legislature chose to open the Department of Correspondence Study to allow those students educational opportunities. The Department of Correspondence Study eventually became the North Dakota Center for Distance Education, and very recently, CDE once again served the state and its students during unprecedented times. As schools closed in response to the pandemic, many were uncertain about how to continue delivering high-quality education. Many districts quickly realized during the pandemic that building and delivering quality online education took extensive time and effort. Consequently, they relied on CDE because it had been working within, and enhancing, this delivery model for several years leading up to the onset of COVID-19.

CDE offers virtual education asynchronously, meaning that while our courses contain a semester's worth of content, students can begin and complete them at any time, based on their schedules and personal pacing needs. Our teachers receive training in online educational delivery—a modality that is very different than in-person instruction and requires constant communication and one-on-one coaching to help learners stay engaged.

CDE offers a full K-12 curriculum year-round, a diploma program, CTE courses, SmartLabs, hosting for online driver's education courses, and dual credit in partnership with Mayville State University. We are approved by DPI as a K-12 school and accredited by Cognia and NCAA. We offer well over 350 courses, the majority foundational in nature. The additional 45% of our courses are electives and career preparation courses in fields ranging from agriculture to technology. This variety of courses helps North Dakota students become Choice Ready.

A remarkable leadership team oversees the delivery of these services. I have provided you with an organizational chart including their titles, pictures, and responsibilities. Each of these talented individuals has served as part of the backbone of CDE, spearheading the day-to-day operations and many of them helping it evolve from a paper-based correspondence school to the online virtual academy that it is today.

CDE's enrollments undoubtedly peaked during the pandemic. On the screen, you'll see our fall enrollment trends from 2019 to the present. To give you a complete sense of the pandemic impact: in 2020-21, CDE had 11,354 enrollments, and in 2021-22, we had 10,948 enrollments. Throughout the 21-23 biennium, we project that we will have nearly 20,000 enrollments. With the return to our "new normal" in education across the state this year, CDE's enrollment is up over 20% from the 2018-19 school year.

At CDE, we report our numbers in enrollments, which often are duplicated headcounts. Let me quickly explain why. Besides our general fund appropriation, our revenue source is derived from tuition, and tuition is paid on a per course or a per enrollment basis rather than on a per pupil basis like a traditional school. Some learners come to us for one class; others take ten. Based on each enrollment, we determine the resources necessary to service a student's need, such as activating an adjunct to teach a course requested by one student or finding a teacher of record for an entire high school subject area while the LEA fills a vacancy. We base our biennial budget, teacher workloads, and curricular costs on enrollment rather than headcount.

While 70% of our budget is derived from the general fund, we also believe that it's essential for those using our services to pay a nominal fee to ensure buy-in and commitment to assist with student completion, which has resulted in an average completion rate of 82.4% over the past two years at the height of the pandemic. The dollars raised through tuition are placed in our special spending authority budget line and are predominantly used to cover the cost of paying our adjunct instructors. You'll see that for 21-23 to date, we have raised \$2.7 million of the \$4.5 million requested in special spending authority during the emergency session. We anticipate raising another \$500,000 in the next six months and have \$670,000 in carryover from the last biennium. We have been vigilantly monitoring our budget and will have the resources necessary to reach the end of this biennium with carryover anticipated. However, to meet our 23-25 budget needs, we will need to review this tuition schedule to determine the best way to balance educational access to CDE courses for all North Dakota students with our operational needs, likely increasing these rates across the board to raise the \$4.5 million in special spending authority that we're requesting.

Approximately three-quarters of our 23-25 budget will be used to pay employees. You'll see in my request that half of the money CDE will raise under its special spending authority will be used to increase our adjunct pay. While CDE has been fortunate to retain highly qualified adjunct teachers, its average adjunct pay is \$25.77 per hour. According to recent Bureau of Labor Statistics data, the average hourly wage for a combination of skilled and unskilled labor in Bismarck is \$26.00 per hour and \$25.52 in Fargo. CDE has high expectations for our adjuncts regarding onboarding, student response times, and subject matter expertise. These expectations are in addition to our adjuncts' day jobs. Most of them work in local school districts and for CDE during their spare time. We hope to raise our base adjunct wage to a minimum of \$27 per hour and \$30 per hour for those holding master's degrees to ensure we retain and show our deep respect for these phenomenal educators.

In general funds, CDE has requested an 8% increase. These dollars also will be directed to salaries to pay three additional FTEs. This is only an 8% increase despite our anticipated sustained enrollment growth of 20% into the new biennium. During the pandemic, CDE added a full K-5 curriculum and hired an FTT teacher and several adjuncts to support it. Ms. Emily Schaefer, though classified as a full-time, temporary employee, helped build our elementary curriculum in record time, continues to serve as our primary elementary teacher, and is assisting CDE in other remarkable ways, currently designing a course that will teach elementary students coding and app development. Though the pandemic has subsided, our elementary enrollment remains strong enough to support an FTE, and Emily deserves a permanent place with CDE.

Our second FTE will support our growth in high school enrollment while increasing the quality of online teaching overall. This position will teach full-time, with 300 enrollments per year plus committee and curricular work.

Our final FTE will be used to support our technology team. Our technology director plans to retire this year. He has been with our organization for 29 years, building several of our systems and shepherding CDE into the modern age. Unlike traditional bricks and mortar schools, the majority of CDE's infrastructure is technology-based, and John Struchynski has built an entire ecosystem, often performing the work of two or more employees in the process. John's position could easily be broken into a technology leadership role and a

business system analyst position, overseeing the technology that runs our online store, billing system, and enrollment process. I will consequently use the third position requested to divide Mr. Struchynski's job into two.

CDE's fiscal requests align with our goals for the 23-25 biennium. To increase course quality, CDE needs an educator dedicated to designing and delivering professional development to our teachers, especially in standards-based learning, since CDE aims to move its entire curriculum to this model. This change will also require a full-time, permanent elementary teacher. CDE has a long-term vision for its elementary program—to provide instructional support services to young students in LEAs who have experienced pandemic learning loss but this vision can only be realized with a FTE. CDE must also seek avenues to grow enrollment to help support the growth of the \$4.5 million it intends to raise, partially to cover adjunct pay. We see dual credit and expanding course offerings in areas that LEAs cannot fill, like languages and driver's education, as areas where we can easily grow with minimum investments. To support this growth, we recognize that our technology infrastructure must keep pace with our expansions in learning. As a result, our request for an additional technology position will help ensure that we have the leadership and daily management of our core infrastructure to help us progress into the future.

With your support of our fiscal request, our refined mission, and our long-term goals, CDE will be positioned to continue to meet the needs of schools and North Dakota students. With an exceptional team of employees and plans to enhance the quality of our services, CDE will also be prepared to help usher North Dakota through the educational challenges ahead. We thank the North Dakota legislature for its investment in the work of CDE, a legacy started in 1935. In keeping with our updated mission statement, we look forward to sharing with you how CDE will continue to play an integral role in strengthening North Dakota's future in the years ahead.