Executive Director's Report to the Board

Date of the Report: November 19, 2025 **Report Prepared By:** Dr. Brett Wedlund



Strategic Plan Updates

Goal 1: Provide all Nova Classical students guaranteed access to Minnesota's leading classical education. **Objective 1.1:** Nova Classical staff will implement core components of our classical education model with fidelity in the classroom.

Strategy: Nova Classical administration will evaluate teachers using the revised rubric.

Stage: Complete

Update: This fall administrators have been completing observations of instruction utilizing the 2 of the

domains from the revised rubric.

Goal 8: Provide classroom and extracurricular facilities which support our mission.

Objective 8.2: Nova classical will leverage the findings of the facilities review to identify the scope and model for financing a potential facilities expansion.

Strategy: Analyze methods for financing a project of the defined scope and design and make a recommendation on the best financial option.

Stage: Complete

Update: At the November 2025 special meeting, the Board was presented with a financial resolution and recommendation from the Budget & Finance Committee.

Blue Ribbon Commission on Special Education Update

During the last legislative session, new requirements were adopted directing MDE to establish several groups to review budget related issues. One of these is the <u>Blue Ribbon Commission on Special Education</u>. The legislation required MDE to hold its first meeting by a specific date, and MDE convened an initial one-hour introductory meeting on October 8. A second meeting took place in November, which served as the first working session.

The commission has been tasked with identifying options to reduce state spending by \$250,000,000. If that is not accomplished that amount is set to come from the cross-subsidy. The legislation required representation from the charter sector, and that seat is held by Erin Lavery, Executive Director of Indigo Education. The commission had a couple of vacant seats and Scott Brown from EdFinMN has been appointed to one of those seats, and he has a strong connection to the charter sector as EdFinMN is a financial service provider similar to Dieci School Finance.

Compensatory Revenue Task Force Update

Legislation also required the formation of a <u>Compensatory Revenue Task Force</u>. The task force was established to analyze the general education compensatory revenue formula, including the purpose of the program, revenue levels, the distribution formula, allowable uses, and methods to evaluate outcomes tied to compensatory revenue spending. The scope of this work will influence long term funding across the state.

There are several issues this group is expected to address. Compensatory aid has increased significantly (by roughly 50%) over the past five years. MDE was expected to implement a new formula for determining compensatory revenue, but the proposed model was identifying only about forty five percent of eligible students. As a result, districts and charter schools have been operating under a hold harmless structure based on previous years funding. The task force will likely focus on determining a new formula moving

forward.

Another area of impact is the recent federal change to SNAP benefits. This change will disrupt. Minnesota's direct certification process, which is a primary method for identifying students who qualify for compensatory aid. The task force will need to account for this shift as part of its work. Darius Husain, Executive Director of Face to Face Academy, is serving as the charter sector representative on this task force.

Minnesota Election and Referendum Outcomes

Novembers elections included a <u>significant number of school district referenda across the state</u>. Of the 96 measures on ballots, 60 passed, representing approximately \$1.6 billion in approved funding. These included a mix of operating levies, safety-related referendums, and building projects.

The results have placed renewed attention on how schools in Minnesota are funded. The election results continue to highlight the difference in funding between traditional districts, which can access local referendum and levy authority, and charter schools, which cannot. This disparity is also seen between districts who have a hard time passing funding measures and those who don't. This environment reinforces the need for careful and precise messaging regarding funding inequities and the broader financial landscape for schools across the state.

Federal Update on Department of Education Changes

The US Department of Education has announced major structural changes in how several federal education programs will be administered. These programs will now be jointly managed by the Department of Education and other federal departments as part of the President's March 2025 executive order to narrow DOE's size and scope. Although the Administration states these changes should be seamless for schools and families, it is not yet clear what this will mean in practice for schools seeking guidance.

Key program shifts include:

- The Office of Elementary and Secondary Education, which oversees the Charter School Program and all Title programs, will partner with the Department of Labor with an emphasis on workforce development.
- Federal postsecondary education programs will also partner with the Department of Labor.
- Indian Education programs will partner with the Department of the Interior.
- Foreign Medical Accreditation and the Child Care Access Means Parents in School program will partner with Health and Human Services.
- International education and foreign language programs under Fulbright-Hays will partner with the Department of State.

The Office for Civil Rights and the Office for Special Education and Rehabilitative Services are not part of this initial announcement, though officials indicated they could shift to other agencies in the future. We will continue monitoring developments and share updates as more details become available.