

August 21, 2026

Funding Special Education Through a Weighted Approach

Special Education Work Group

Dr. Amanda Brown

Dr. Kelsey Krausen



Today's Presentation

- Background recap
- Modeling weight options: 1.1 or 1.34
- Implementation options
 - Phasing in gains
 - Providing Hold Harmless
 - Augmenting CASE funding
 - Utilizing 13% cap
 - Increasing base funding by net difference to flow through waterfall
 - Increasing investment for special education
- Study team recommendations

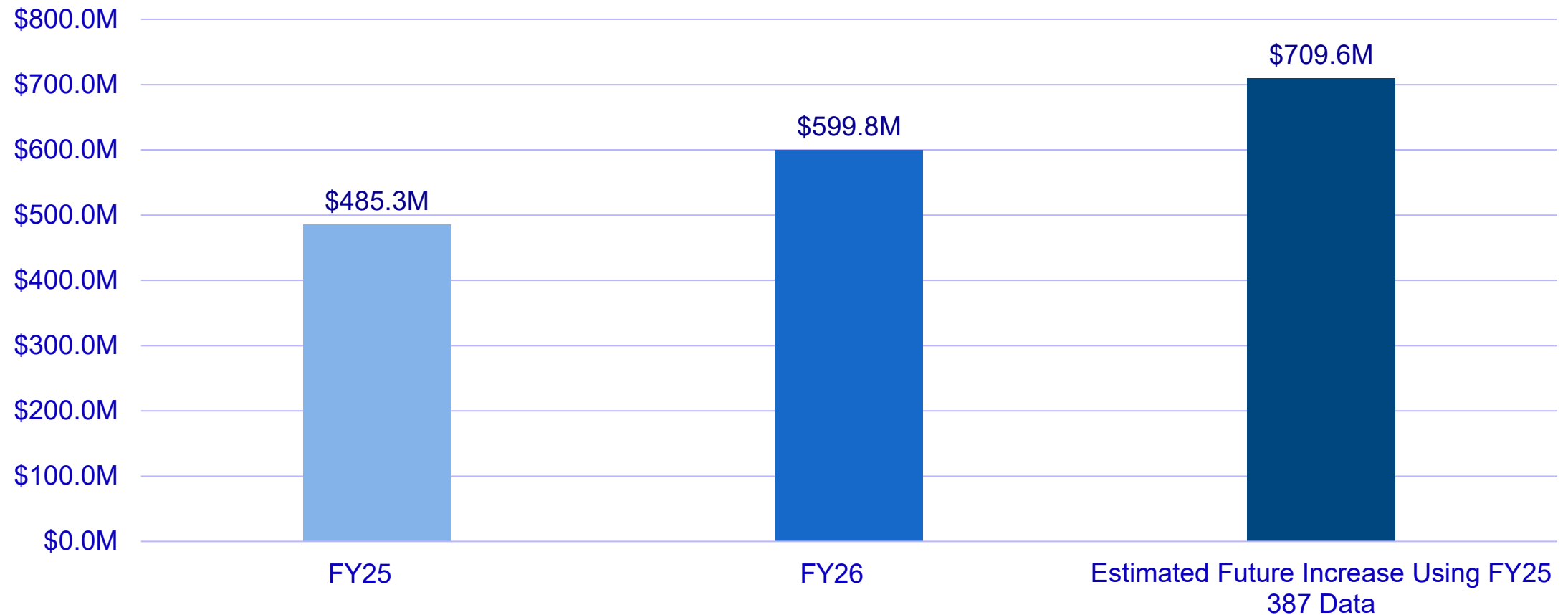
Recap of Current Special Education Funding

Current Funding for Special Education in Nevada

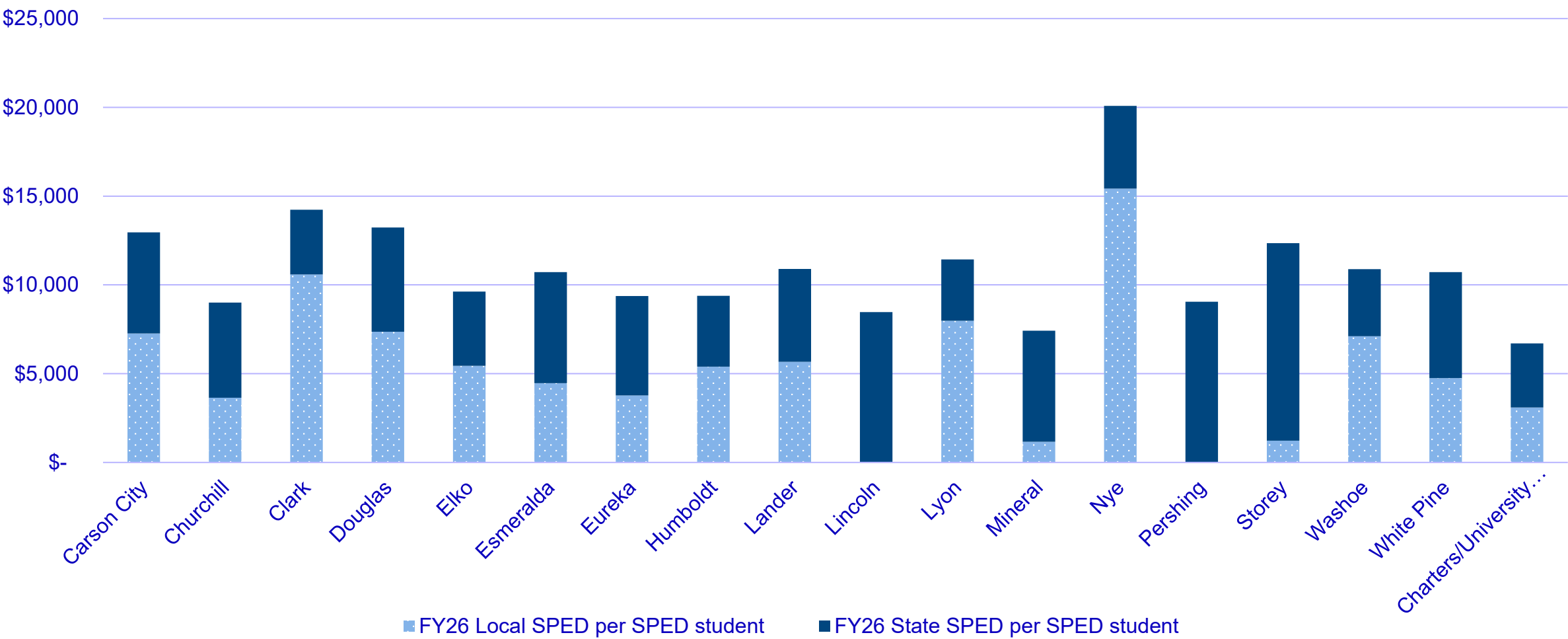
Three sources of funding, in addition to federal IDEA funds:

- **State special education funding** (FY26, \$257.6 million)
 - A legislative appropriation outside of the PCFP that is entirely state funded
- **Local special education funding** (FY26, \$599.8 million)
 - Provided through Tier 2 of the PCFP and based on a district's total actual prior expenditures
- **A high-cost funding pool** (FY26, \$2 million)
 - Contingency Account for State Special Education Services or more commonly referred to as the CASE fund
 - Reimburses LEAs for extraordinary program expenses and related services; currently underutilized

Change in Local SPED Over Time



FY26 Local and State SPED per Special Education Student



Note. See [slide 26](#) for a corresponding data table

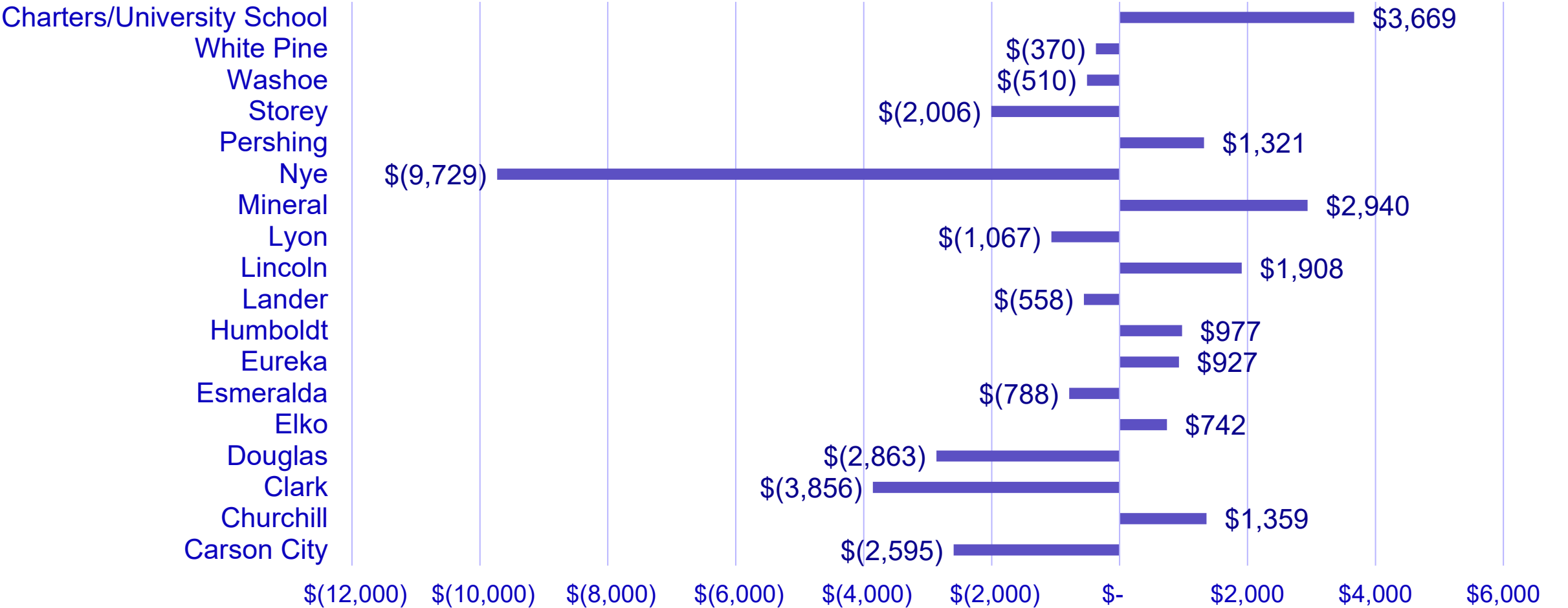
Modeling Weight Options



Comparison Between Current Funding Approach (\$857.5M Combined State and Local Funding for FY26) and Weighted Funding

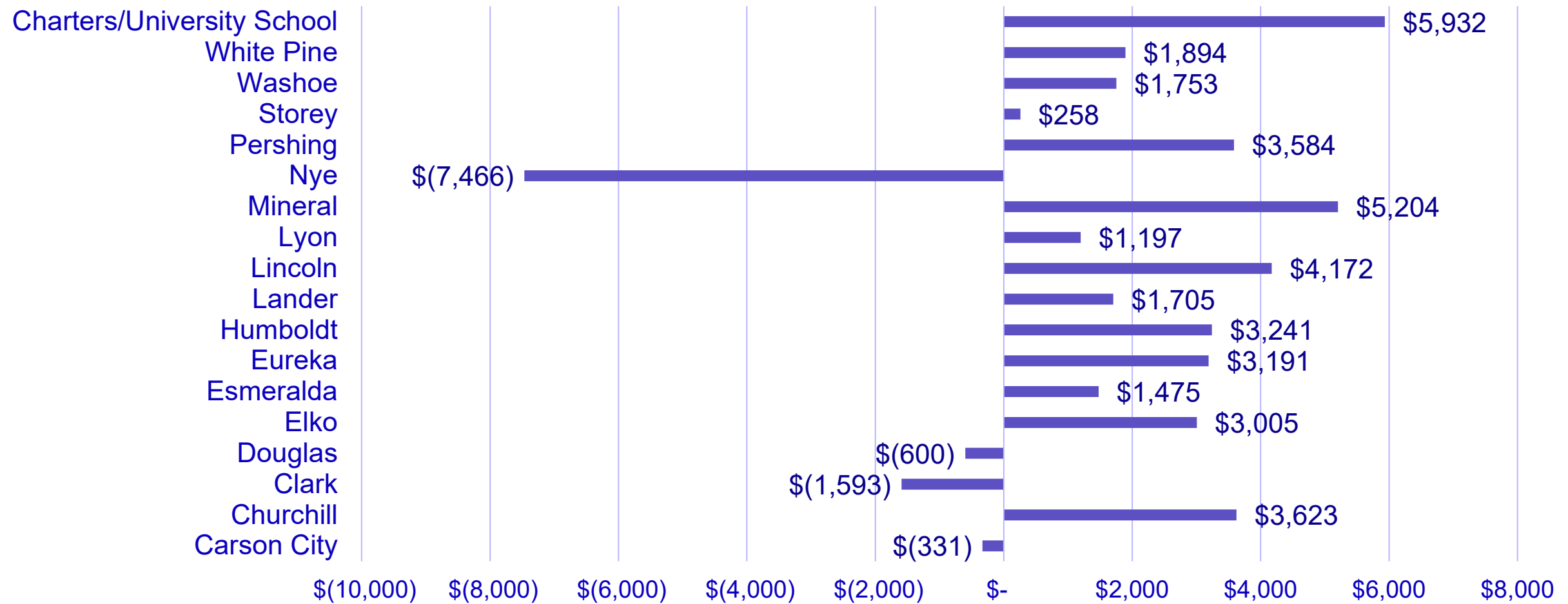
Approach	Total weighted funding	Total funding under current approach	Net difference	Total increase for LEAs who increase funding under weighted model	Total decrease for LEAs who decrease funding under weighted model
1.1 Weight	\$705.2M	\$857.5M	-\$152.3M	\$32.3M	-\$184.6M
1.34 Weight	\$859.1M	\$857.5M	\$1.6M	\$76.8M	-\$75.2M

Per Special Education Student Difference in Funding Based on 1.1 Weight and Current Approach, FY26



Note. See [slide 27](#) for a corresponding data table

Per Special Education Student Difference in Funding Based on 1.34 Weight and Current Approach, FY26



Note. See [slide 28](#) for a corresponding data table

Implementation Considerations



Phasing in Increases

- Weighted funding would produce more funding than currently allocated in many LEAs
 - \$32.3 million in additional funding with a 1.1 weight
 - \$76.8 million in additional funding with a 1.34 weight
- Increases could be phased in over time (1–2 biennium) to offset Hold Harmless and give LEAs time to adjust to funding shifts

Hold Harmless

- Holding LEAs harmless to the current allocation would require
 - \$185 million with a 1.1 weight
 - \$75 million with a 1.34 weight
- The Hold Harmless provision could be set to
 - phase out over time (over 1–2 biennium)
 - stay in place until funding catches up

Augmenting the CASE Fund

- The CASE fund is currently \$2 million but is not well utilized. Possible reasons include
 - too restrictive or time consuming to apply
 - not a well-known option
 - reimburses for extraordinary program expenses, not high-cost services
 - reimbursement model doesn't incentivize participation
- High-cost funding pools are critical as they serve as a “release” valve for extraordinary costs, particularly in small districts. Elevated costs in some LEAs are likely driven by high-cost services.
- CASE Fund could be changed by
 - adjusting criteria to make it easier for districts to use, such as by allowing for reimbursement for high-cost services
 - increase the amount of funding available to reduce amount of Hold harmless needed

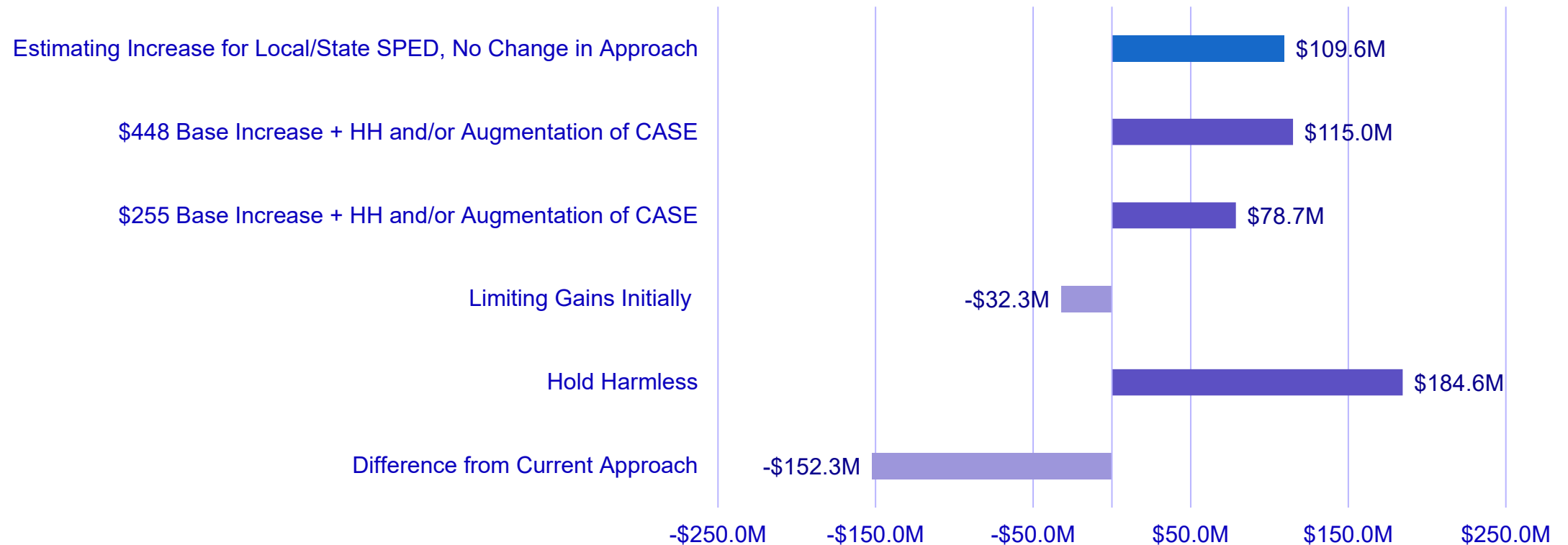
13% Enrollment Cap for Full Funding

- Currently, Nevada caps full state funding for special education students at 13% of enrollment, and provides minimal funding over 13%
 - carried over from the Nevada Plan
 - may have been set to national average at the time in an effort to limit “over identification”
 - special education rates have increased nationally with a current average of 15%
- If desired, a differentiated weight could be set for above and below the 13% threshold
 - not yet modeled

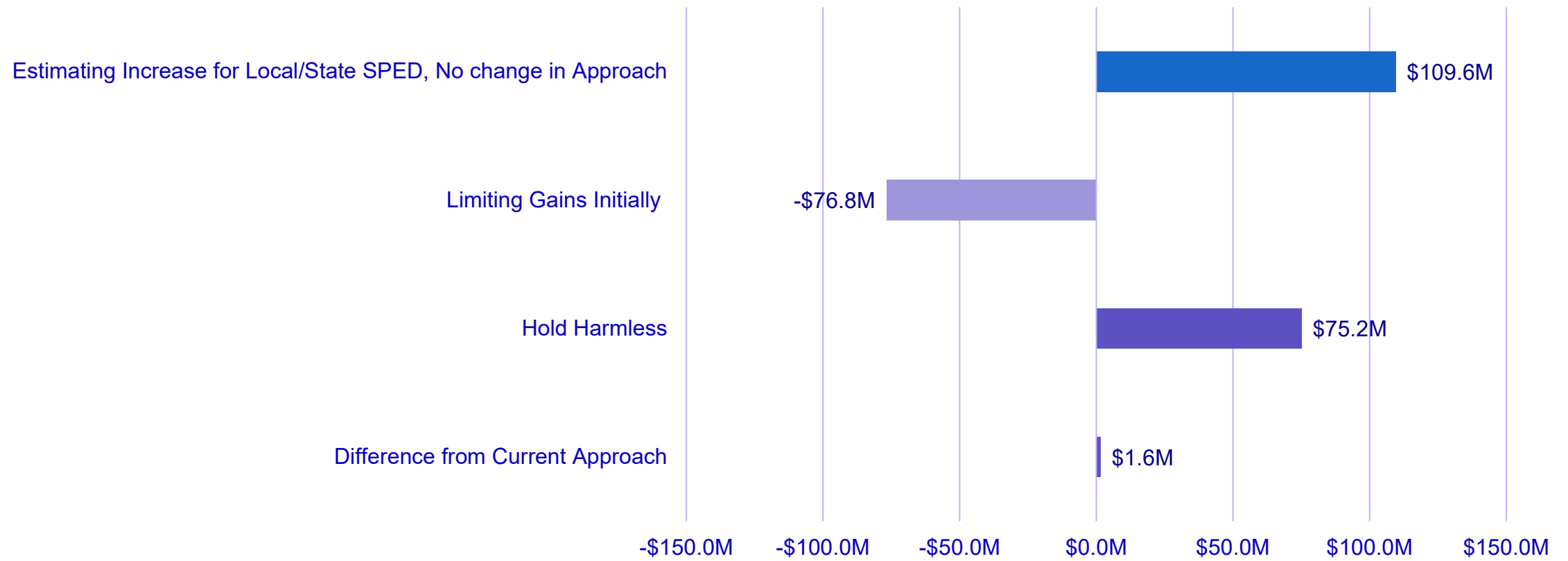
Redirecting Difference to the Base (1.1 Weight Only)

- The total funding generated through the 1.1 weight is \$152.3M **less** than the combined state and local funding for special education in FY26.
- The \$152.3M could be redirected to the base to flow through the PCFP (i.e., adjusted for size and to generate additional funding through weights). This would help address decreases in funding for some LEAs and reduce the need for Hold Harmless but would require additional investment. Two options include the following:
 - **\$255 per pupil:** full difference redirected to the base; Hold Harmless/CASE Augmentation would still be needed (additional \$78.7M).
 - **\$448 per pupil:** ensures all but one LEA receives at least as much funding as under current approach (additional \$115.5M + \$4.7M of Hold Harmless or CASE Augmentation needed).

Implementation Scenarios: Increasing Investment in Special Education by Scenario, 1.1 Weight



Implementation Scenarios: Increasing Investment in Special Education by Scenario, 1.34 Weight



Study Team Recommendations

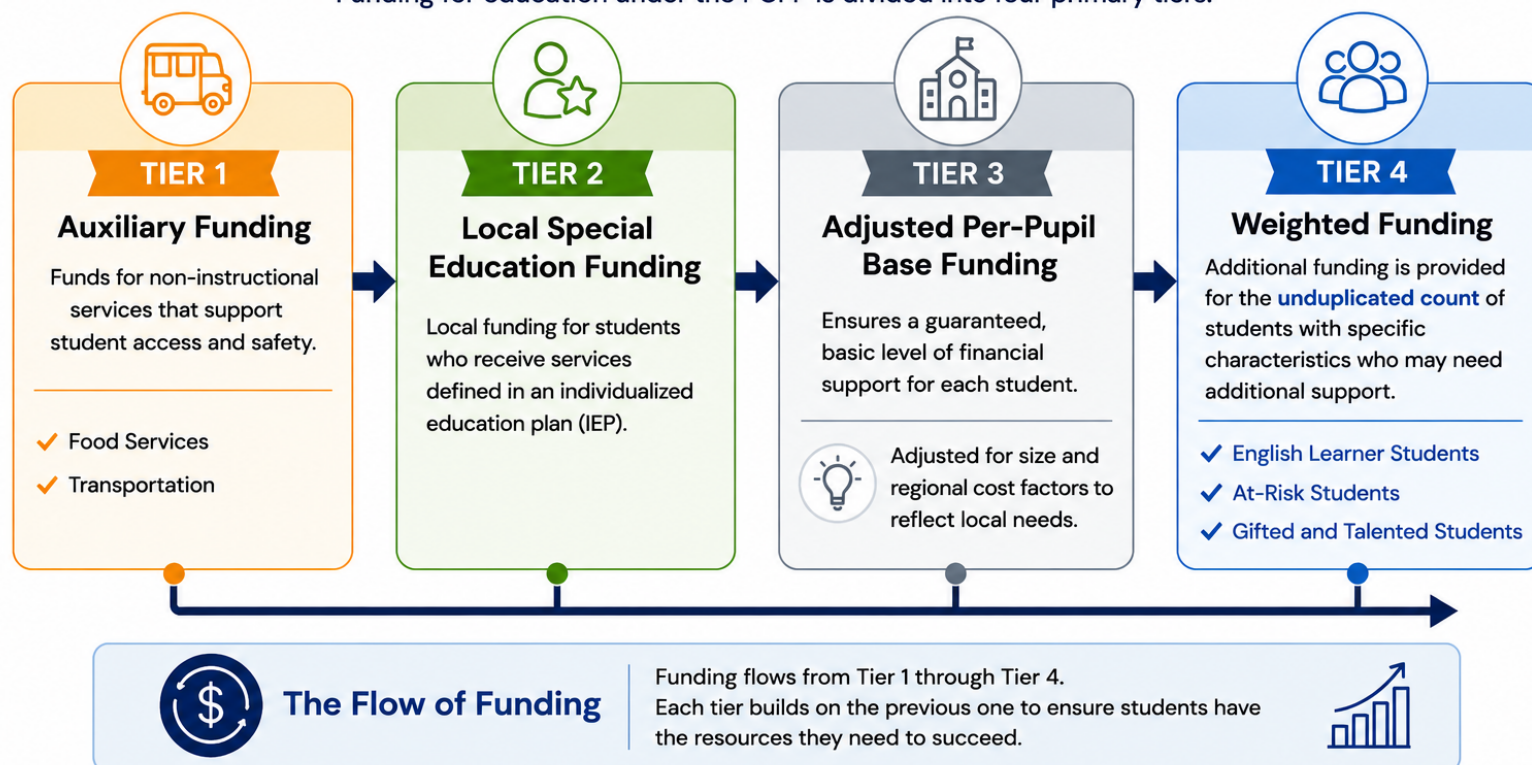


Current Flow of Funding in the PCFP

Nevada's Pupil-Centered Funding Plan

FOUR TIERS OF FUNDING

Funding for education under the PCFP is divided into four primary tiers.



While many categorical funds are consolidated into the PCFP, statutory requirements for those programs remain and must be met using PCFP funds.

Source: WestEd/APA 2026

Recommended Approach (Part 1)

- Move state special education funding into the PCFP
- Remove Tier 2 local special education funding from the PCFP
- Add a 1.1 weight per special education student to Tier 3 of the PCFP funded using the available combined state and local special education funding from the prior approach

Recommended Approach (Part 2)

Additionally, either

- **1a:** Redirect funding difference from FY26 State/Local SPED to the **base + increase funding** to flow through waterfall (\$448 per pupil) to almost entirely eliminate the need for Hold Harmless (requires additional \$115.5M investment + \$4.7M of Hold Harmless).
- **1b:** Redirect funding difference from FY26 State/Local SPED to the **base** to flow through waterfall (\$255 per pupil) to reduce the need for Hold Harmless (requires an additional \$78.7M).
- **1c:** Redirect funding difference from FY26 State/Local SPED to a time-bound Hold Harmless (requires additional \$32.2 million or limit gains to keep net difference to \$0).

And

- Increase funding for the CASE and adjust the parameters for use to support LEAs with students requiring high-cost programs and services, which would reduce Hold Harmless amounts above.

Recommended Revised Approach

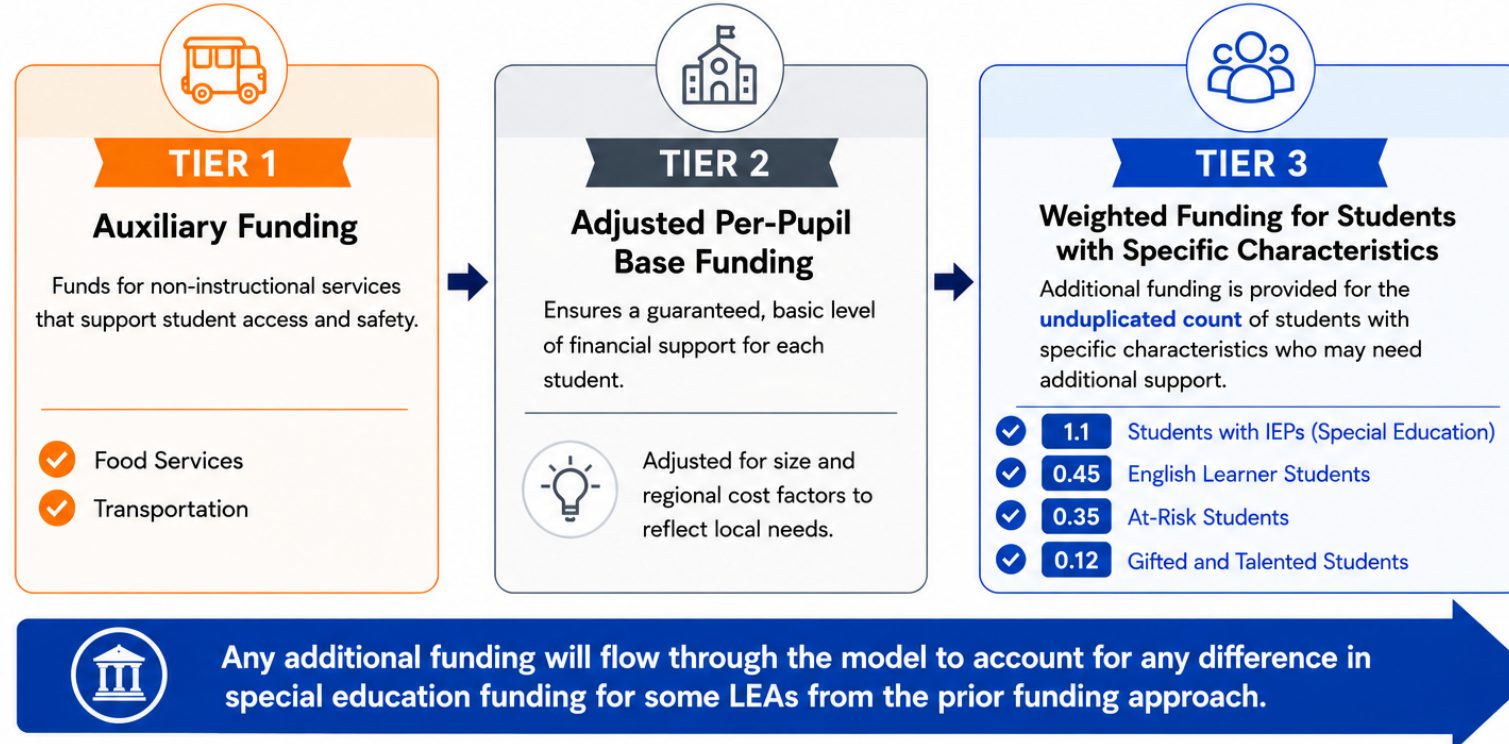
Nevada's Pupil-Centered Funding Plan

REVISED APPROACH • THREE TIERS OF FUNDING

Funding for education under the PCFP is divided into three primary tiers.



Change from prior approach: Local special education funding (Tier 2) is now part of Tier 3.
Additional funding will flow through the model.



Note: LEAs = Local Education Agencies

Source: WestEd/APA 2026

Benefits of the Recommended Approach

- **More equitable funding** provides consistent funding for students with IEPs across all districts and charter schools.
- **Increased transparency** creates a clear and transparent funding approach and more explicitly recognizes the substantial state investment in special education.
- **Consistent with funding models in other states** weighted funding is the most commonly used approach nationwide, with weights well within the range seen in other states.
- **Predictable and stable** creates a more predictable and stable foundation for long-term special education funding.
- **Increased alignment** allocates special education funding using the same theory of action used for other PCFP weighted categories.

Discussion



FY26 Local and State SPED per Special Education Student (Data Table)

District	Local SPED per student	State SPED per student	Total
Carson City	\$7,264	\$5,698	\$12,962
Churchill	\$3,644	\$5,366	\$9,010
Clark	\$10,591	\$3,641	\$14,232
Douglas	\$7,366	\$5,863	\$13,229
Elko	\$5,440	\$4,190	\$9,630
Esmeralda	\$4,462	\$6,255	\$10,717
Eureka	\$3,774	\$5,603	\$9,377
Humboldt	\$5,390	\$3,999	\$9,389
Lander	\$5,672	\$5,223	\$10,895
Lincoln	\$0	\$8,467	\$8,467
Lyon	\$7,978	\$3,459	\$11,437
Mineral	\$1,164	\$6,259	\$7,423
Nye	\$15,424	\$4,662	\$20,086
Pershing	\$0	\$9,054	\$9,054
Storey	\$1,223	\$11,131	\$12,354
Washoe	\$7,106	\$3,778	\$10,884
White Pine	\$4,748	\$5,977	\$10,725
Charters/University School	\$3,094	\$3,612	\$6,706

Per Special Education Student Difference in Funding Based on 1.1 Weight and Current Approach, FY26 (Data Table)

District	Difference
Charters/University School	\$3,669
White Pine	-\$370
Washoe	-\$510
Storey	-\$2,006
Pershing	\$1,321
Nye	-\$9,729
Mineral	\$2,940
Lyon	-\$1,067
Lincoln	\$1,908
Lander	-\$558
Humboldt	\$977
Eureka	\$927
Esmeralda	-\$788
Elko	\$742
Douglas	-\$2,863
Clark	-\$3,856
Churchill	\$1,359
Carson City	-\$2,595

Per Special Education Student Difference in Funding Based on 1.34 Weight and Current Approach, FY26 (Data Table)

District	Difference
Charters/University School	\$5,932
White Pine	\$1,894
Washoe	\$1,753
Storey	\$258
Pershing	\$3,584
Nye	-\$7,466
Mineral	\$5,204
Lyon	\$1,197
Lincoln	\$4,172
Lander	\$1,705
Humboldt	\$3,241
Eureka	\$3,191
Esmeralda	\$1,475
Elko	\$3,005
Douglas	-\$600
Clark	-\$1,593
Churchill	\$3,623
Carson City	-\$331

Nevada's Pupil-Centered Funding Plan

Four Tiers of Funding (Text only)

Funding for education under the PCFP is divided into four primary tiers.

Tier 1: Auxiliary Funding

Funds for non-instructional services that support student access and safety.

- ✓ Food Services
- ✓ Transportation

Tier 2: Local Special Education Funding

Local funding for students who receive services defined in an individualized education plan (IEP).

Tier 3: Adjusted Per-Pupil Base Funding

Ensures a guaranteed, basic level of financial support for each student.

- Adjusted for size and regional cost factors to reflect local needs.

Tier 4: Weighted Funding

Additional funding is provided for the unduplicated count of students with specific characteristics who may need additional support.

- ✓ English Learner Students
- ✓ At-Risk Students
- ✓ Gifted and Talented Students

The Flow of Funding

Funding flows from Tier 1 through Tier 4. Each tier builds on the previous one to ensure students have the resources they need to succeed.

While many categorical funds are consolidated into the PCFP, statutory requirements for those programs remain and must be met using PCFP funds.

Source: WestEd/APA 2026

Nevada's Pupil-Centered Funding Plan

Revised Approach • Three Tiers of Funding (Text only)

Funding for education under the PCFP is divided into three primary tiers.

Change from prior approach: Local special education funding (Tier 2) is now part of Tier 3. Additional funding will flow through the model.

Tier 1: Auxiliary Funding

Funds for non-instructional services that support student access and safety.

- ✓ Food Services
- ✓ Transportation

Tier 2: Adjusted Per-Pupil Base Funding

Ensures a guaranteed, basic level of financial support for each student.

- Adjusted for size and regional cost factors to reflect local needs.

Tier 3: Weighted Funding for Students with Specific Characteristics

Additional funding is provided for the unduplicated count of students with specific characteristics who may need additional support.

- ✓ 1.1 — Students with IEPs (Special Education)
- ✓ 0.45 — English Learner Students
- ✓ 0.35 — At-Risk Students
- ✓ 0.12 — Gifted and Talented Students

Any additional funding will flow through the model to account for any difference in special education funding for some LEAs from the prior funding approach.

Note: LEAs = Local Education Agencies

Source: WestEd/APA 2026