

**NEVADA DEPARTMENT OF EDUCATION  
COMMISSION ON SCHOOL FUNDING  
JUNE 11, 2020  
1:00 P.M.**

**Meeting Location**

**Due to the circumstances created by the COVID-19 pandemic, the Commission on School Funding met via videoconference. In accordance with Governor Sisolak's State of Emergency Directive 006, Section 1, no physical location was designated for this meeting. The meeting was livestreamed on the Nevada Department of Education's (NDE) website.**

**SUMMARY MINUTES OF THE COMMISSION MEETING**

**COMMISSION MEMBERS PRESENT**

**Via Videoconference**

Dusty Casey  
Andrew J. Feuling  
Jason A. Goudie  
Guy Hobbs  
Dr. David Jensen  
Paul Johnson  
Mark Mathers  
Punam Mathur  
Dr. R. Karlene McCormick-Lee  
Jim McIntosh  
Dr. Lisa Morris-Hibbler

**DEPARTMENT STAFF PRESENT**

**In Las Vegas**

Jessica Todtman, Chief Strategy Officer

**In Carson City**

Heidi Haartz, Deputy Superintendent of Business and Support Services  
Dr. Jonathan Moore, Deputy Superintendent of Student Achievement  
James Kirkpatrick, Administrative Services Officer III  
Beau Bennett, Management Analyst IV  
Megan Peterson, Management Analyst III

**LEGAL STAFF PRESENT**

Greg Ott, Chief Deputy Attorney General

**SUBJECT MATTER EXPERTS PRESENT**

Amanda Brown, APA Consulting  
Felicia Brown, WestEd  
Jason Willis, WestEd  
Jeremy Aguero, Applied Analysis  
Justin Silverstein, APA Consulting

**PRESENTERS IN ATTENDANCE**

Michael Dang, State Public Charter School Authority  
Rebecca Feiden, State Public Charter School Authority

**AUDIENCE IN ATTENDANCE**

**Via Videoconference**

## **1: CALL TO ORDER; ROLL CALL**

Meeting called to order at 1:00 P.M. by Commission Chair R. Karlene McCormick-Lee. Quorum was established.

## **2: PUBLIC COMMENT #1**

Amanda Morgan of Educate Nevada Now submitted public comment regarding implementation of the Pupil-Centered Funding Formula. *(A complete copy of the statement is available in Appendix A)*

Caryne Shea of Honoring Our Public Education (HOPE) Nevada submitted public comment regarding the implementation of the Pupil-Centered Funding Formula. *(A complete copy of the statement is available in Appendix A)*

The Nevada State Education Association submitted public comment regarding implementation of the Pupil-Centered Funding Formula. *(A complete copy of the statement is available in Appendix A)*

Jeff Zander of Zander Consulting, LLC submitted public comment regarding implementation of the Pupil-Centered Funding Formula; the comment was co-signed by 13 of Nevada's school district superintendents. *(A complete copy of the statement is available in Appendix A)*

Sylvia Lazos of the Nevada Immigrant Coalition submitted public comment regarding the implementation of the Pupil-Centered Funding Plan. *(A complete copy of the statement is available in Appendix A)*

## **3: NEVADA DEPARTMENT OF EDUCATION UPDATE**

Heidi Haartz, Deputy Superintendent of Business and Support Services, Nevada Department of Education, provided an [Update](#) to the Commission regarding the work of the Department since the May Commission meetings.

The Department has worked to revise and refine the fact sheets which explain the process and development of the Pupil-Centered Funding Plan (PCFP), and a summary of various recommendations and milestones of the Commission since its work began. The Nevada Department of Education (NDE) has continued its collaboration with the Department of Taxation to refine the budget template that school districts will use each year when they develop their budgets. NDE has also continued to draft business rules for the budget development process under the PCFP and the reporting requirements of Senate Bill 543 and worked extensively with Jeremy Aguero of Applied Analysis to make the PCFP model as concise and transparent as possible.

Future meetings of the Commission through fiscal year (FY) 2021 will be held as one-day meetings. Agenda topics will include the development of a monitoring plan for implementation of the PCFP; review of the business rules and guidelines developed by NDE to be used by districts and charter schools; revisions to budget templates; and opportunities to engage in discussions around optimal funding. Subject matter expert WestEd has been asked to present exemplars of monitoring implementation during the August meeting, and APA Consulting will be presenting on the administrative reporting cap.

Deputy Superintendent Haartz, responding to Chair McCormick-Lee, noted that per Senate Bill 543 the Commission may provide recommendations to the Governor and the Legislature on or before July 15, 2020; on a biannual basis to the Superintendent of Public Instruction; and on a biannual basis to the Legislative Committee on Education.

## **4: COMPARATIVE ANALYSIS OF CHARTER SCHOOL BUDGETS UNDER THE NEVADA PLAN AND THE PUPIL-CENTERED FUNDING PLAN**

Rebecca Feiden, Executive Director, Nevada State Public Charter School Authority, and Michael Dang, Management Analyst, Nevada State Public Charter School Authority, provided an [Analysis](#) to the Commission comparing Charter School budgets under the Nevada Plan and the Pupil-Centered Funding Plan (PCFP).

The presenters specified that data provided to the Commission only includes charter schools that have had their budget comparisons verified by the State Public Charter School Authority (SPCSA). The potential increases and decreases in funding in the shift to the PCFP vary significantly between schools, and Director Feiden identified three factors contributing to those variations: location, percentage of students qualifying for weighted funding, and the percent of the schools' budgets coming from competitive State grants. Overall, Director Feiden observed

that many charter schools in rural areas would see a significant decrease in funding in the shift from the Nevada Plan to the PCFP.

Deputy Superintendent Haartz noted that the charter analysis was built on the May version of the Pupil-Centered Funding Model blueprint; however, the blueprint and model that will be reviewed by the Commission in July will reflect transfers of local tax revenues from the State's Distributive School Account to charter schools, which the May model lacked. The model presented in July will also address students attending a full-time program of distance education at a charter school, who will be eligible for the statewide base per-pupil funding amount, rather than the adjusted amount. Director Feiden was not certain whether the updates to the model would result in an increase or decrease in funding for charter schools, but expressed concern that it may be a decrease. Member Dusty Casey remarked that the comparative process has been difficult, as the Nevada Plan's elements do not directly translate to the PCFP.

Member David Jensen inquired about requirements for virtual charter schools, including class size reduction standards and funding allocations; Director Feiden noted that virtual charters are held to the same standard as virtual public schools; however, there are additional regulations and policies being considered regarding charter schools that are 100% distance learning.

#### **5: PRESENTATION AND DISCUSSION ON THE ANTICIPATED LEVEL OF EFFORT AND FISCAL IMPACT ON THE REPORTING REQUIREMENTS INCLUDED IN SENATE BILL (SB) 543 AND EXAMPLARS FOR REPORTING REQUIREMENTS FROM OTHER STATES AND DISTRICTS WITH PUPIL-CENTERED FUNDING MODELS**

Felicia Brown and Jason Willis, WestEd, conducted a [PowerPoint](#) presentation regarding the anticipated level of effort and fiscal impact of the reporting requirements of SB 543, including recommendations on these items, and exemplars for reporting requirements from other states and districts with pupil-centered funding models.

Members of the Commission thanked WestEd for their presentation but tabled the majority of their discussion for the July 12, 2020 meeting, during which they would be finalizing recommendations to the Governor and Legislature as required under Section 76.3 of SB 543.

#### **6: PRESENTATION AND DISCUSSION REGARDING ALTERNATIVE DEFINITIONS FOR AT-RISK STUDENTS**

Dr. Jonathan Moore, Deputy Superintendent of Student Achievement and Beau Bennett, Management Analyst IV, Nevada Department of Education, conducted a [PowerPoint](#) presentation regarding alternative definitions for At-Risk as it relates to the weighted categories of pupils identified in SB 543.

Mr. Bennett clarified that both of the recommendations presented were based on using student data that was already available and would not present a burden; the Department also indicated its belief that both recommendations encompassed economic and environmental risk factors.

Member Andrew Feuling stated that he was in favor of the Infinite Campus methodology and raised concerns with the relative transparency of using that methodology. Chair McCormick-Lee agreed with Member Feuling and noted that aspects of the opportunity gap definition presented were also addressed in the Infinite Campus approach.

#### **7: PRESENTATION AND DISCUSSION REGARDING THE ADJUSTMENT FACTORS INCLUDED IN SENATE BILL 543 AND HOW EACH ADJUSTMENT ADDRESSES THE VARIATION IN THE COST OF PROVIDING EDUCATION IN EACH COUNTY IN NEVADA**

Amanda Brown and Justin Silverstein, APA Consulting, conducted a [PowerPoint](#) presentation regarding cost adjustment factors in SB 543 and how each factor addresses variation in costs of providing education in each Nevada county.

Member Jensen requested additional comparative data. Member Paul Johnson stated his support of Member Jensen's request.

**8: PUBLIC COMMENT #2**

Sylvia Lazos of the Nevada Immigrant Coalition submitted public comment regarding the implementation of the Pupil-Centered Funding Plan. *(A complete copy of the statement is available in Appendix A)*

**9: ADJOURNMENT**

Meeting adjourned at 3:08 P.M.

*Appendix A: Statements Given During Public Comment*

1. Amanda Morgan, Educate Nevada Now submitted public comment regarding implementation of the Pupil-Centered Funding Formula.
2. Caryne Shea, Honoring Our Public Education (HOPE) Nevada submitted public comment regarding implementation of Pupil-Centered Funding Formula.
3. The Nevada State Education Association submitted public comment regarding the implementation of the Pupil-Centered Funding Formula.
4. Jeff Zander, Zander Consulting, LLC submitted public comment regarding implementation of the Pupil-Centered Funding Formula; the comment was co-signed by 13 school district superintendents.
5. Sylvia Lazos, Nevada Immigrant Coalition submitted public comment regarding the implementation of the Pupil-Centered Funding Plan.

## Item A1, Amanda Morgan, Educate Nevada Now

Dear Chairwoman McCormick-Lee and members of the Commission,

Thank you for the opportunity to submit testimony on behalf of Educate Nevada Now. We have provided a more detailed version of our recommendations for the Commission's review, but appreciate the opportunity to have brief remarks read into the record.

We have observed the hard work of the Commission over the past several months and are sincerely grateful for members' dedication, insight and expertise. Thank you for the thoughtful deliberations and care in this process. We understand the heavy burden placed on your shoulders but are confident in your ability to improve outcomes for our students.

ENN was adamant during the last legislative session, and in subsequent discussions with members, that the school funding formula should ultimately reflect the needs of students. The guiding principle should always be ensuring students have the essential resources necessary to meet or exceed the requirements set forth by the State. ENN is currently fighting for this principle on behalf of several parents in a legal challenge. The goal is to ensure that "College, Career, and Community Readiness" is not just a slogan, but a reality for all Nevada students.

Though we recognize that many of the tough decisions necessary to remedy Nevada's broken education system are outside of the scope of this Commission, there are recommendations this body can make to put lawmakers on a positive path. With the prospect of a recession and budget cuts looming, it is more important than ever Nevada does not repeat the mistakes of the last recession. We cannot wait another ten years to be in the same position we find ourselves in now – still not recovered from years of budget cuts and shortfalls. We desperately need a plan and leadership to ensure we emerge from this crisis with a robust public education system and diverse economy that sets the stage for a new and stronger Nevada.

ENN's proposes the following recommendations:

- **Recommend the Legislature adopt adequate funding targets for both the base per-pupil allocation and weights, with a 10-year plan to incrementally achieve those targets.** The Commission has this authority and guidance from existing costs studies to set a path forward. The current economic crisis makes this critical to the success of the Pupil-Centered Funding Plan.
- **Recommend modifications to the hold harmless provision that, at the very least, accounts for inflation and enrollment growth.** A hold harmless provision should take into account that the majority of districts are not currently receiving adequate funding. Lawmakers should be encouraged to develop policy that does not put districts in a position that further deteriorates scant resources.
- **Recommend a thorough study of the at-risk designation, concentrating on actual student need and recognizing FRL as potentially under-inclusive.** FRL is the prevailing proxy for at-risk student designation. Any effort to develop a new model should involve further study, aim to be more, not less inclusive, and be based on actual student need.

Please review our submitted written testimony for detailed information regarding each of these recommendations. Again, we thank you for your hard work and devotion to this critically important task.

1. **Recommend the Legislature adopt adequate funding targets for both the base per-pupil allocation and weights, with a 10-year plan to incrementally achieve those targets.**

K-12 public education suffered crippling funding cuts after the Great Recession of 2008. To make matters worse, a major funding study commissioned shortly before had found education funding grossly inadequate even prior to

the economic crisis.<sup>1</sup> Only recently public education funding began approaching pre-recession levels, when accounting for inflation. Put another way, over a decade was spent chasing funding levels deemed inadequate to begin with.

In 2020, the state finds itself in eerily familiar territory. A recent APA study again finds Nevada grossly underfunding public education, and the state faces a deep recession with a long road to recovery. But unlike before, this Commission has the authority and mandate to develop a plan to identify and achieve adequate funding levels.

Arguably the most critical function of this Commission is detailed in SB 543, sec. 11(1)(c), where it states, in part, this Commission shall,

*“Review the statewide base per pupil funding amount, the adjusted base per pupil funding for each school district and the multiplier for weighted funding for each category of pupils appropriated by law [...] and recommend any revisions [...] to create an optimal level of funding for the public schools in this State [...].”*

Without addressing this “elephant in the room,” the Pupil-Centered Funding Plan has no path for success. Not only will students be denied essential resources, but also small and rural counties will face deep, significant cuts, and programs for our most vulnerable students will deteriorate. With the impending economic crisis, it is absolutely critical the Commission propose adequate funding targets while also identifying, as SB 543 states, “a method to fully fund the recommendation within 10 years after the date of the recommendation.”

Prior to the last recession, the Legislative Commission’s Committee to Discuss School Financing Adequacy utilized APA to contemplate a 10-year path to adequate funding, adjusted for inflation.<sup>2</sup> Unfortunately, this did not result in concrete recommendations or policy. The product was more inaction. Even when the economy improved, solutions for adequately funding schools gave way to a culture of competing for scant resources.

Without a coherent plan, Nevada is doomed to repeat the mistakes of the past. This Commission has a mandate to develop adequate per-pupil funding targets and weights and a plan to meet those targets. It also has the benefits of a thorough recent APA study at their fingertips, recommending target base per- pupil funding and weights. This plan should not be delayed, but rather prioritized because of the current economic crisis. We would be doing a disservice to our students and community, not to mention the future health and diversity of our economy, if we do not lay a foundation now for growth and success.

## **2. Recommend modifications to the hold harmless provision that, at the very least, accounts for inflation and enrollment growth.**

We recognize that achieving adequate funding levels is a process that will take time and immense effort. With that in mind, it is critical that students and schools are supported as Nevada transitions to the Pupil- Centered Funding Plan. As the Commission has examined and modeled the effects of SB 543’s hold harmless provision, it has become abundantly clear that it would be damaging to several districts, likely resulting in massive cuts to staffing and student supports.

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<sup>1</sup> Augenblick, Palaich and Associates, Inc. Estimating the Cost of an Adequate Education in Nevada, (August, 2006); see also School Financing Adequacy, LEG. COUNCIL BUREAU, 8 (2007), available at <http://www.leg.state.nv.us/Division/Research/Publications/InterimReports/2007/Bulletin07-07.pdf> (hereinafter “School Financing Adequacy Report”), (finding public education funding levels over a billion dollars short of adequate funding levels).

<sup>2</sup> School Financing Adequacy Report, supra note 1, at 8. (estimating a \$222.7 million annual increase to achieve funding adequacy over a 10-year period, using 2003/2004-2013/2014 for the purpose of estimation).

ENN has and continues to support a hold harmless provision that focuses on movement towards adequate funding levels. For example, Illinois' hold harmless provision uses district adequacy targets to gauge how additional dollars are allocated, where districts furthest from adequacy receive the largest share of additional dollars, while districts closer to adequacy receive a proportionally smaller share.<sup>3</sup>

Recognizing that additional dollars may not be likely in the immediate future given the economic crisis, any hold harmless should, at a minimum,

*1)Account for inflation adjustments year-to-year, and*

*2)Account for enrollment growth.*

Without considering these factors, districts (most of which legislatively-commissioned studies have determined are not adequately funded) will see budgets further deteriorate, meaning loss of staff and services. Without adjustment for growth, counties will be forced to serve additional students without the benefit of additional per pupil dollars. With many counties experiencing or expecting population growth, districts will struggle to improve or maintain educational opportunities for their students.

Ultimately, the North Star for any policy should be to develop a path to adequate funding levels. But recognizing the long road ahead, districts should at the very least be able to keep up with increased costs and population growth. The idea that some districts "already have enough" does not reflect the reality or the work of APA.

### **3. Recommend a thorough study of the at-risk designation, concentrating on actual student need and recognizing FRL as potentially under-inclusive.**

The Commission has discussed and heard a proposal from Infinite Campus on reforming the factor(s) used to designate a student as at-risk for the purpose of identifying who qualifies for weights. Though we welcome a discussion on better identifying students who need additional resources, we urge caution in coming to a determination without a more thorough study and review of Infinite Campus's proposal, along with other proposals.

We have concerns with the lack of transparency of the factors used, and not used, by Infinite Campus in identifying a student as at-risk, along with the potential for underestimating the number of students that require additional resources. We further have concerns that identifying students based on outcome may result in a "cliff" of funding, leading to results similar to those experienced in the rollout of SB 178. No

Any effort to transition to a novel model of identification needs a thorough review with expert and community input. We welcome this discussion, as many education advocates and districts have expressed to us that the FRL designation is likely under-inclusive. The number of students who qualify for FRL while in elementary school dwindles as those students enter middle and high school, likely due to a perceived stigma of utilizing the program by older students. Further, FRL does not account for other issues, such as family trauma, which may also affect student outcomes.

It is also worth noting that APA used FRL as a proxy when developing target weights for at-risk students in Nevada, calculating the resources necessary for each student to have the opportunity to meet state academic standards. Therefore, using a different proxy or factors would ultimately require additional study on the appropriate target weight.

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<sup>3</sup> Equity Dashboard, Advance Illinois, available at <https://www.advanceillinois.org/datadesk-equitydashboard/> (The "district comparison tab" illustrates each district's distance from adequacy, which other state currently uses the proposed model, and FRL continues to be a widely accepted proxy for at-risk students.



Though the Commission has not indicated this intent, we recognize that it may be enticing to develop a weighted funding designation that ultimately reduces the number of eligible students. With limited dollars, a smaller number of students may simply seem more manageable. This approach disregards the core purpose of weighted funding models – to make the connection between essential resources students need to have an equitable educational opportunity and the funding it takes to provide that.

With so much at stake - appropriate wrap-around services, tutoring, extended school day, and other resources that foster equity - it is critically important we get this right. For these reasons, we urge the Commission to recommend further study on developing alternative factors for designating students as at-risk, recognizing FRL may be under-inclusive.

Again, we applaud the hard work of the Commission and their commitment to students across the state. They have been faced with a difficult task with few easy decisions. As we expressed early on in this process, the work of this Commission should aim to ensure Nevada is on a path of providing every student has the opportunity to succeed. With the prospect of another devastating recession, laying this foundation is more important than ever. We urge the Commission to make recommendations that promote a constitutionally adequate education for all Nevada students.

Very sincerely,

Amanda Morgan, Executive Director  
amorgan@educatenevadanow.com

**Item A2, Caryne Shea, HOPE Nevada**

Good afternoon, Chair McCormick-Lee and Commission members,

My name is Caryne Shea and I am Vice President of HOPE for Nevada, a non-partisan public education advocacy group,

We appreciate the responsibility the commission has been tasked with and the effort and hard work required to make the Pupil Centered Funding Plan successful, especially amid a pandemic. Now that the school year has ended, there can be a prioritized focus on the work of Senate Bill 543.

We are hopeful that the Commission will embrace the opportunity to create a robust plan to improve Nevada's education funding system. The bill language enables just that: "If the commission makes a recommendation which would require more money to implement than was appropriated from the state's education fund in the immediately preceding biennium, the commission shall also identify a method to fully fund the recommendation within 10 years after the date of the recommendation."

The tentative recommendations for student weights have set the bar too low. It is essential to consider that our total funding is 58% of sufficiently meeting actual student need. The federal mandate based on SPED needs has required school districts to dismantle their base funding to shift money to the current SPED weight. The aspirational weight should be higher than the current weight, if we are to protect the base amount per pupil, as SB543 was intended to do.

This is the same with Gifted and Talented pupils. Setting an aspirational weight lower than the current weight communicates that the commission doesn't have a desire for NV's brightest students to have their needs met.

As for At-Risk, we are hopeful that the Commission adopts the methodology used via Infinite Campus to identify students who are at risk of not graduating, with 99% accuracy.

Previous studies have been commissioned by the state. American Institutes for Research (AIR) and Nevada's own Task Force on K-12 Public Education Technical Advisory Committee recommended additional ELL weights of over 1.3. These findings are substantially different from both the current and aspirational weights being determined by this commission.

In fact, it's difficult to understand the use of the term "aspirational," when half of them are lower than the current weight. A goal requires purposeful effort. An aspiration is a wish. We suggest reconsidering both the title and the weighted amounts.

SB543 is a first step, but it should be made on solid ground. The attempt to mitigate damage to districts is a different purpose than working to accomplish what's best for all children. You are an appointed Commission, but your recommendations MUST be made outside of the political climate. Your purpose is to provide NV with an ambitious goal and a methodology for successfully achieving it. While SB543 lacks clarity in many areas, it is very clear in that aspect. We hope you will take the appropriate steps to accomplish this task and we support you in doing so.

Sincerely,

Caryne Shea

### **Item A3, Nevada State Education Association**

The Nevada State Education Association has been the voice of Nevada educators for over 100 years.

During agenda item #4 on today's calendar, the Commission will receive a presentation from the State Public Charter School Authority comparing budgets for 19 charter schools using the Nevada Plan and the Pupil-Centered Funding Plan. In the State Public Charter School Authority analysis, these schools with an enrollment of 37,783 students would receive a cumulative increase of just over \$16M or 5.8%.

But the reality is this. In modeling presented to the Commission by Applied Analysis last month, the transfer from neighborhood public schools to charter schools after the activation of the new funding model would be much more significant. According to this modeling, charter schools are estimated to receive \$329,644,119 in the current fiscal year with the Nevada Plan. Under the new "pupil-centered funding plan" their calculated distribution would be \$397,802,683, an increase of over \$68 million or 20%!

### **NSEA is concerned about the discrepancy between numbers provided by the State Public Charter School Authority and Applied Analysis.**

NSEA has consistently cautioned SB543 would result in a multi-million-dollar giveaway to charter schools. While the "hold harmless" provisions would delay part of this annual charter windfall for a number of years, as most other school districts are frozen in place, it is clear the transfer of precious dollars from neighborhood public schools to billionaire-backed charters is the essence of SB543.

Tomorrow, the Interim Finance Committee will consider the Governor's proposal to close an \$812M budget shortfall in FY20, including a \$265M shortfall in local revenue to the DSA. According to the Nevada Independent, these cuts include \$5.3M from the Pupil Centered Funding Plan. As we prepare for a special session to deliberate what could be another \$1B budget shortfall, moving forward with SB543 is not the answer Nevada schools need. SB543 will not safely reopen schools. SB543 will not bring greater transparency. SB543 will not bring greater education equity. And SB543 is not truly centered on the student, 90% of whom attend our neighborhood public schools.

Thank you.

#### **Item A4, Jeff Zander, Zander Consulting, LCC co-signed by 13 school district superintendents**

Madam Chair and Esteemed Members of the Commission:

On behalf of the thirteen school districts listed below, please accept this correspondence as their formal request that you recommend a delay in the effective date of Senate Bill ("SB") 543 (2019) to July 2023. Indeed, I appreciate this opportunity to provide important feedback related to SB 543 and the creation of the Pupil Centered Funding Plan ("PCFP"). To that end, this letter shares the districts' serious concerns regarding the timing of the implementation of this legislation relative to the current economic climate.

We understand the legislative intent behind updating the existing K-12 finance distribution formula due to its age and what some consider to be a lack of transparency. The PCFP models that have been shared with the public, however, appear to be anything but transparent. The myriad formulas and assumptions buried within the thousands of cells that comprise the current blueprint have resulted in an end product that is truly incomprehensible to the average member of the public.

In addition to creating a less understandable framework, the PCFP produces significant detriment to the districts executing this letter. The most recent version of the PCFP provides only two school districts and the Charter Authority with increased funding. Despite a decrease in per pupil funding for 15 of Nevada's 18 districts, no justification, much less explanation, has been provided.

A fundamental, and critically necessary, element of the PCFP is its hold harmless provision. We understand that the purpose is to assist with transitioning to the new model without causing districts to experience an unexpected loss of revenue as compared to FY20. It is our further understanding, however, that this portion of SB 543 has not been funded and will require an additional appropriation in excess of \$90,000,000. A delay in PCFP implementation is necessary in order to fully fund such a vital component to the plan.

Another fundamental component of the PCFP is the Education Stabilization Account ("ESA"). This provision is meant to provide a fiscal resource to subsidize the State Education Fund if additional amounts are necessary to meet legislatively mandated education funding levels. To aid in the transition from the Nevada Plan's Basic Support Guarantee for school districts, it is essential that the ESA be adequately funded prior to PCFP implementation.

Delaying commencement of the PCFP will also provide this Commission with the time needed to develop a more comprehensive regional cost adjustment model. Taking whatever time is necessary to build reliable model, such as a hedonic wage index, will result in adjustment factors that more closely approximate reality. This will greatly assist in achieving the ultimate goal of providing students access to teachers of similar quality regardless of where they attend school. This vital component of education funding is referred to as "horizontal equity." We implore the Commission to delay the implementation of the PCFP.

If this new model is to be adopted, it is imperative that answers related to resource distribution variances be provided to the public. Nevada's school administrators currently have no plausible explanations to offer their communities and stakeholders for the mostly negative projected outcomes of the PCFP. Having been employed as a district super intendent for more than eight years, I can assure you that this will not be well received. Attempting to explain the PCFP's statewide sweeping of local tax revenue further exacerbates the situation.

We strongly believe this Commission and the legislature require additional time and resources to ensure the ultimate success of the PCFP. Rushing into the radical overhaul of such a complex system will practically guarantee that Nevada's children are denied equal educational opportunities. This is especially true during these difficult and unpredictable times in which we are living.

Sincerely,

JEFF ZANDER

We, the undersigned district superintendents, hereby join in the above comments, analysis and recommendations.

**TODD PEHRSON, Elko County**

**PAM TEEL, Lincoln County**

**TATE ELSE, Eureka County**

**RICHARD STOKES, Carson City**

**RUSSEL KLEIN, Lander County**

**NEIL TERHUNE, Esmeralda County**

**SUMMER STEPHANS, Churchill County**

**TERI WHITE, Douglas County**

**TODD HESS, Storey County**

**WAYNE WORKMAN, Lyon County**

**RUSSEL FECHT, Pershing County**

**DALE NORTON, Nye County**

**KAREN WATSON, Mineral County**

**Item A5, Sylvia Lazos, Nevada Immigrant Coalition**

Dear Commissioners and Nevada Superintendent,

Today this Commission decides on its recommendation to the Legislature regarding the SB543 funding formula, should it be set aside or go forward?

A third way that attempts to rescue the work of the Commission may be feasible. Please consider incrementally phased in funding formula that, 1) “grandfathers” groups and programs that would be devastated under SB543 since it is based on limited dollars of the old Nevada Plan, 2) phases in gradually weights that support at risk students based on ACTUAL COSTS.

We agree with the Education Law Center (ELC) report presented today that the SB543 funding formula should be COST BASED, and not based on limited dollars of the old Nevada Plan, which now will be cut further due to the collapse of the state budget.

We point to this key ELC report finding. The “at risk” weights recommended in SB543 do not reflect actual costs, but rather dips into the categorical funding of zoom schools and victory schools that are directed to aid schools that are in the poorest neighborhoods and are de facto racially segregated. SB543 formula version that is recommended by the Commission should not accept the inadequate and meager weight, which would be funded by the \$105 million taken AWAY from Zoom and victory schools. Rather, in subsequent Legislative sessions, the formula should be built up to a per pupil weight that fully funds the cost of educating an “at risk” child. In other words, let’s BUILD UP supports for “at risk” children, and not ask our children of color and our poor children to be satisfied with crumbs yet again. This is not justice. Our youth is in the streets asking for change in race relations because the old way of asking poor and children of color “to make do” is no longer what America accepts.

Respectfully submitted,  
Sylvia Lazos  
Education Subcommittee