

Commission on School Funding Update

State Board of Education
September 4, 2024

Nevada Revised Statute 387.12463(1)(e)

Nevada Revised statute (NRS) 387.12463(1)(e) sets forth the Commission's duty of reviewing and recommending any revisions to the cost adjustment factors for each county established pursuant to NRS 387.1215 and the method for calculating the attendance area adjustment pursuant to NRS 387.128.

The cost adjustment factors include:

- The Nevada Cost of Education Index
- The Attendance Area Adjustment

Nevada Cost of Education Index

With respect to the Nevada Cost of Education Index (NCEI), the Commission recommends that the NCEI remains at 1.0 for all districts, eliminating the effect of the adjustment within the Pupil-Centered Funding Plan and to review in future biennia.

Attendance Area Adjustment

With respect to the attendance area adjustment, the Commission recommends applying the following criteria to determine attendance areas for funding purposes based upon (1) distance, (2) travel time, and (3) extenuating circumstances.

- Be separated by more than 20 miles from another attendance area;
- If less than 20 miles from another attendance area, be more than a 30-minute drive away from a district's central office;
- If less than a 30-minute drive, must have extenuating circumstances that necessitate a separate attendance area.
 - The Department should establish a review/appeal process for districts.

Nevada Revised Statute 387.12463(1)(b)

NRS 387.12463(1)(b) directs the Commission to monitor the implementation of the Pupil-Centered Funding Plan (PCFP) and make any recommendations that the Commission determines would, within the limits of appropriated funding, improve the implementation of the PCFP or correct any deficiencies of the Department or any school district or public school in carrying out the PCFP.

Implementation Recommendations

The Commission made the following findings and recommendations relating to the implementation of the PCFP:

- The consensus is that the PCFP is working well and as designed.
- Update the attendance area language and model as needed to ensure that the PCFP is following the prescribed definition in statute. As set forth above, this task has been concluded for this biennium.
- Consider a modification to the Hold Harmless provision regarding weighted sub-population adjustments.
- Evaluate the benefit of weights being calculated on the adjusted base versus the statewide base.
- Evaluate updated research to identify how equitably the PCFP funding is being distributed.

NRS 387.12463(1)(d)

NRS 387.12463(1)(d) requires the Commission to review the laws and regulations of this State relating to education and make any revisions of such laws and regulations that the Commission determines would improve the efficiency or effectiveness of public education in this State.

NRS 387.12463(1)(d) Recommendations

- Recommend annual reporting of the academic progress made by pupils since the implementation of the PCFP plan rather than quarterly as the data for most of the metrics are only collected once per year.
- Recommend public reporting of the data collected through AB400 and SB98 associated with the academic progress of pupils in November to align with the time of current data collection.
- To avoid any duplication in reporting, recommend districts and charter schools should report only data that the Nevada Department of Education does not already have access to each year.
- For the initial report outlined in AB400 and SB98, recommend collecting and reporting data starting from 2019 to the current year to compare student and school performance under the old funding plan to the new funding plan and with the additional investments.

NRS 387.12463(1)(d) Recommendations Continued

- Recommend consideration of having the Nevada Department of Education evaluate and revise the Nevada School Performance Framework (NSPF) to include more meaningful/holistic indicators and measures.
- Recommend reducing the frequency of the Acing Accountability reporting from quarterly to annually.
- Recommend removal the requirement for an Annual Class Size Reduction Plan for kindergarten-3 grade. The current requirement is too narrow and doesn't align with the broader landscape.
- Recommend strengthening requirements in NRS 218D.380 to reduce the number of exemptions to Nevada's sunset provision on reporting requirements and give agency to the Department to establish reporting format and structures once legislation is passed.

NRS 387.12463(1)(d) Recommendations Continued

- Recommend elimination of reporting requirements that are outdated and no longer beneficial.
- Recommend elimination of the Minimum Expenditure Report (NRS 387.206), and the requirement to publish the Summary Financial Report from the Department of Taxation pursuant to NRS 354.6015.
- Recommend staff at the Department be increased to an adequate/optimal level to increase their capacity to manage and provide support for data collection and reporting.

NRS 387.12463(1)(d) Recommendations Continued

- Recommend the creation of a single, integrated reporting framework to measure progress by incorporating the most meaningful elements of the NSFP, Acing Accountability, and AB 400 and SB98. This may require:
 - Sunsetting reporting requirements for Acing Accountability as a separate reporting framework.
 - Adding AB400 and SB98 metrics and all metrics from the Nevada School Performance Framework (NSPF) to the Report Card.
 - Moving away from separate reporting for AB400 and SB98 and building a statewide data portal and reporting system so school district data can be uploaded instead of entered manually.

NRS 387.12463(1)(d) Recommendations Continued

- Recommend reducing the burden on districts and charter schools by collecting data at the state level when possible.
- Recommend additional investments in the Department to make these changes possible.
- Recommend disaggregating data to align with the PCFP. Currently, data for the NSPF are disaggregated by race/ethnicity, special education, English learner status, and economically disadvantaged status, but they are not disaggregated by the “at-risk” category to allocated funding in the Pupil-Centered Funding Plan.

With respect to the metrics set forth in AB400 and SB98 requiring the Commission to review the academic progress made by pupils:

- Eliminate the teacher attendance rate given the lack of variation in rates across schools and districts.
- Eliminate the number of pupils in elementary school who were promoted to the next grade after testing below proficient in reading the immediately preceding school year as this requirement is redundant with the reporting of literacy rates.

Assembly Bill 400 and Senate Bill 98 Continued

- Eliminate the number of schools that employ a licensed teacher designated to serve as a literacy specialist pursuant to NRS 388.159 and the number of schools that fail to employ and designate such a teacher given the differences in Full Time Employment across schools and to avoid additional accountability for hard-to-staff schools.
- Eliminate survey data on school satisfaction and work with the Nevada Department of Education to explore options for survey administration in the future as this data is not currently available.
- Utilize chronic absenteeism rather than the prescribed attendance rate for pupils to be in alignment with the NSFP.

Assembly Bill 400 and Senate Bill 98 Continued

- Change the percentage of pupils in each school who lack a sufficient number of credits to graduate by the end of their 12th grade year to the ninth grade.
- For the literacy rates for pupils in first, third, and fifth grade, the Commission recommends adding scores for kindergarten and second grade while removing the fifth-grade requirement and using the Northwest Evaluation Association (NWEA) MAP as the measure of literacy.
- Eliminate the requirement to report the number of classes taught by a substitute teacher for more than 25% of the school year due to redundancy and burden on reporting.
- Remove the requirement to report vacancies for support staff as this data is not currently collected in Nevada.

The Commission recommends adding the following metrics to the AB400 and SB98 reporting requirements:

- Per pupil total expenditures by local education agency and school
- Per pupil revenues by PFCP fund category
- Per pupil expenditures and percentage of total expenditures by the highest-level function code only (e.g., 1000, 2100, etc.)
- Per pupil expenditures and percentages of total expenditures by the highest-level object code only (e.g., 100 ,200, etc.)
- Full-time employee counts and per student ratios by function.