

Auxiliary Services

Agenda Item #5

Nevada Department of Education

Commission on School Funding

December 3, 2021

Auxiliary Services Overview

- Purpose of the discussion
- NDE prior presentations
- Information on wages and commodities for transportation
- Commission recommendations
- Decisions for today
- Previously proposed inflation rate options
- NDE inflation rate recommendation

Legislative Letter of Intent

August 9, 2021

“A review of the funding provided for transportation and food services and any recommendations for revisions to how this funding is budgeted and allocated.”

Auxiliary Services Discussions

1. August 13, 2021-Agenda item #6
2. September 17, 2021-Agenda Item # 5
3. September 17, 2021-Agenda Item # 6
4. October 8, 2021-Agenda Item # 6

Transportation Expenditure Summary

District Expenditures FY 2020	Cost	Percentage
Total salaries and fringe benefits	\$ 144,323,415	74.14%
Total operational expenses	\$ 21,967,522	11.28%
Total all property	\$ 28,384,803	14.58%
Total District Transportation:	\$ 194,675,740	100.00%

Charter and University Schools Expenditures FY 2020	Cost	Percentage
Total salaries and fringe benefits	\$ 86,161	16.38%
Total operational expenses	\$ 439,792	83.62%
Total all property	\$ -	0.00%
Total Charter and University Schools Transportation:	\$ 525,953	100.00%

Combined Expenditures FY 2020	Cost	Percentage
Total salaries and fringe benefits	\$ 144,409,576	73.98%
Total operational expenses	\$ 22,407,314	11.48%
Total all property	\$ 28,384,803	14.54%
Total Transportation:	\$ 195,201,693	100.00%

Transportation Operation and Property Summary

Category	Description	Cost	Percentage
Operation	Purchased professional and Technical Services	\$ 1,002,531	0.51%
Operation	Purchased property services	\$ 1,083,188	0.55%
Operation	Other purchased services	\$ 5,985,144	3.07%
Operation	Supplies (Less than \$5,000 per unit)	\$ 4,708,915	2.41%
Operation	Energy - Other	\$ 411,901	0.21%
Operation	Energy - Gasoline	\$ 8,530,775	4.37%
Operation	Information technology other	\$ 684,859	0.35%
Operation	Total Operations:	\$ 22,407,314	11.48%

Category	Description	Cost	Percentage
Property	Equipment - Instructional (exclude 734, 735 below)	\$ 292,799	0.15%
Property	Equipment - Transportation Function 2700	\$ 28,036,109	14.36%
Property	Equipment/Software - Non-instructional	\$ 55,896	0.03%
Property	Total Property:	\$ 28,384,803	14.54%

Transportation Summary

Combined Expenditures FY 2020	Cost	Percentage
Total salaries and fringe benefits	\$ 144,409,576	73.98%
Total operational expenses	\$ 22,407,314	11.48%
Total all property	\$ 28,384,803	14.54%
Total Transportation:	\$ 195,201,693	100.00%

Description	Cost	Percentage
Breakout of wages and benefits	\$ 152,480,439	78.11%
Non-wage operations and property	\$ 42,721,254	21.89%
Total Transportation:	\$ 195,201,693	100.00%

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CSF Recommendations

- Four-year average of districts actual costs for transportation and food services
- Use a similar “hold harmless” type of adjustment for each of the 4 years of transportation and food services costs that is used for the average daily enrollment for payment purposes
- Charter and University schools be included in the auxiliary services allocation calculations
- Charter and University schools receive the same inflation factors as districts
- The average total should be based on the number of years that the school has supporting transportation and food services data

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Decisions

- CSF decision points
 - If an inflationary rate is needed for transportation?
 - What inflation rate should be used?

Inflation Rates Proposed

- PCFP Approved Inflation Rate - 1.74%
- Western Region Inflation Rate - 2.53%
- Nevada Specific Inflation Rate - 1.88%

Industry Specific Inflation Rates Proposed

- Education Specific Inflation Rate - 2.04%
- Transportation Inflation Rate - 1.60%
- Food Services Inflation Rate – (-4.07%)

NDE Recommendation

- Apply a consistent inflation factor to all funding tiers of the Pupil-Centered Funding Plan
 - Contributes to model transparency and simplicity
- Nevada specific inflation factor inclusive of
 - Government CPI data set
 - Education and Health Services CPI data set
 - Trade, Transportation, and Utilities CPI data set
 - Four-year average inflation rate of 1.88%
 - Reduces impact of outlier economic changes
 - Publicly accessible federal data
 - Aligns with the Nevada Cost of Education Index (NCEI) recommended by the CSF
 - Nevada Specific data

Thank You