

COMMISSION ON SCHOOL FUNDING
Thursday, November 14, 2019
1:00 PM

Meeting Locations:

The meeting was video conferenced from two locations:

Office	Address	City	Meeting Room
Department of Education	2080 E. Flamingo Rd.	Las Vegas	Room 114
Department of Education	700 E. Fifth St.	Carson City	Board Room

SUMMARY MINUTES OF THE REGULAR MEETING

Commission Members Present:

In Las Vegas:

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

Department Staff Present:

In Las Vegas:

Jhone M. Ebert, State Superintendent of Public Instruction
Heidi Haartz, Deputy Superintendent of Business and Support Services
Jessica Todtman, Chief Strategy Officer
Megan Peterson, Business & Support Services
James Kirkpatrick, Business & Support Services
Beau Bennett, Business & Support Services

In Carson City:

Jonathan P. Moore, Ed. D., Deputy Superintendent for Student Achievement

Legal Staff Present:

In Las Vegas:

David Gardner, Senior Deputy Attorney General

Commission Subject Matter Experts Present:

In Las Vegas:

Jeremy Aguero, Applied Analysis

Others Present:

In Las Vegas:

Chris Daly, Nevada State Education Association (NSEA)

Meredith Freeman, HOPE 4 Nevada

Sylvia Lazos, Nevada Immigrant Coalition

Alexander Marks, Nevada State Education Association (NSEA)

Amanda Morgan, Educate Nevada Now

Julie Waller, Legislative Counsel Bureau

In Carson City:

Jim Penrose, R&R Partners

Mary Pierczynski, Nevada Association of School Superintendent (NASS)

Daniel Pierrott, Pearson

Jimmy Lau, FPH

Jeff Zander

Agenda Item #1 - Call to Order; Roll Call; Pledge of Allegiance

Chair McCormick-Lee called the meeting to order at 1:09 p.m.

Roll Call was taken; a quorum was present.

The pledge of allegiance was led by Chair McCormick-Lee

Chair McCormick-Lee outlined housekeeping information for the audience and members of the Commission.

Agenda Item #2 - Public Comment #1

Public comment will be taken during this agenda item regarding any item appearing on the agenda. No action may be taken on a matter discussed under this item until the matter is included on an agenda as an item on which action may be taken. A time limit of three minutes will be imposed by the Commission Chair in order to afford all members of the public who wish to comment with an opportunity to do so within the timeframe available to the Commission. Public comment #2 will provide an opportunity for public comment on any matter within the Commission's jurisdiction, control, or advisory power.

Public Comment in Las Vegas:

Chris Daly, Nevada State Education Association (NSEA) stated that his comments were prompted by the presentation by Jeremy Aguero at the November 1st meeting of the Commission. Mr. Daly noted that, when Mr. Aguero outlined the work ahead with some of his perceived challenges, he called the work, in terms of forming the funding plan, a zero-sum game. From NSEA's perspective, Mr. Daly reiterated that any funding plan that does not include significant new revenue is going to fail. He stated that NSEA believes every student in Nevada should receive a high-quality public education. Mr. Daly gave a nod to Amanda Morgan, Legal Director at Educate Nevada Now, who has published information regarding the need for the Commission to identify new revenue. He stated his belief that

the Commission that does not have to operate under a zero-sum game and noted that Section 11 of Senate Bill 543 relates to the Commission recommending “revisions [it] determines to be appropriate to create an optimal level of funding for the public schools in this State.” Mr. Daly noted that part of the Commission’s charge is to identify revenue amounts and sources that the state can access over the next ten years and that he is looking forward to that work.

No Public Comment in Carson City.

Agenda Item #3 - Approval of Flexible Agenda (For Possible Action)

Chair R. Karlene McCormick-Lee outlined items on the agenda. No formal action was taken.

Agenda Item #4 - Superintendent’s Report (Information and Discussion)

The State Superintendent of Public Instruction will provide an update to the Commission on the Department of Education’s work related to Senate Bill 543.

Superintendent Ebert thanked members of the Commission for their willingness to participate in the work and also thanked the staff at the Nevada Department of Education (NDE). Superintendent Ebert stated, “It took 52 years for us to get here and it’s going to take a lot of work and brain power to move to the future.” She recognized the work of Deputy Superintendent Heidi Haartz and her team as well as Chief Strategy Officer Jessica Todtman.

Superintendent Ebert shared that NDE presented to the Interim Finance Committee (IFC) on October 24, 2019, and requested support to complete the work outlined in Senate Bill 543. NDE requested \$900,000 to contract with subject matter experts; \$200,00 each for contracts with Applied Analysis, APA and WestEd, which were approved at the November 12, 2019 meeting of the Board of Examiners, and \$300,000 for a change management consultant to support implementation of the new funding model both internally and externally.

Superintendent Ebert stated that as the Commission’s work progresses, NDE will be working directly with subject matter experts to provide data and information requested by the Commission as well as to prepare to provide support to school districts.

In closing, Superintendent Ebert introduced Beau Bennett, a new staff member supporting the Commission, in addition to James Kirkpatrick who was introduced at the October meeting. He came to the Nevada Department of Education as a Management Analyst IV from the Nevada Secretary of State. Mr. Bennett worked for the Secretary of State for over seven years and prior to that he worked as an attorney, primarily in the fields of business formation and litigation and real estate matters.

Agenda Item #5 - Review of the Differences Between the Nevada Plan and the Pupil-Centered Funding Plan (Information and Discussion)

The Commission will receive a presentation on the differences between the existing Nevada Plan and the proposed Pupil-Centered Funding Plan.

Chair McCormick-Lee introduced Agenda Item #5, stating that the impetus for the presentation was to build an understanding of the status quo to ensure awareness of any differences in the proposals related to the Pupil-Centered Funding Plan.

NDE Deputy Superintendent of Business and Support Services Heidi Haartz was joined by Megan Peterson, Management Analyst, to present the item to the Commission.

Deputy Haartz provided a handout listing terms in SB 543 in an initial response to a request from the Commission.

Presentation Part I: The Nevada Plan

Mrs. Peterson began a PowerPoint that provided a high-level comparison between the Nevada Plan and the Pupil-Centered Funding Plan. The first part of the presentation focused on:

- The history of the Nevada Plan;
- The components of the plan, including what is and is not included;
- Background on the Distributive School Account;
- Funding sources;
- Statewide basic support;
- The equity allocation model; and
- The year-end true up process.

Part I: Questions and Comments

Chair McCormick Lee asked a question regarding funding sources and where programs like Zoom and Victory would be represented.

Deputy Haartz noted that the intent of the slide is to show revenue sources and that, in the future, NDE will provide information that addresses categorical funding.

Member David Jensen noted that one of the components in the Equity Allocation Model is called the “wealth adjustment,” which takes into consideration the outside revenues. He asked how that flows through the Nevada Plan to make a determination of the “Basic Support Guarantee?”

Mrs. Peterson noted that the wealth adjustment is a comparison of a district’s ability to locally raise revenues to a statewide average. That then is added to or subtracted from the “Basic Support Guarantee” calculation.

Member Jensen asked if there was a PSOPT (Property Tax) correction.

Mrs. Peterson stated that the wealth adjustment factor takes into account the two thirds property tax, net proceeds for mining, franchise fees, the governmental services tax, and unrestricted federal revenues, which are summed together and placed on a per-pupil equivalent, then compared to a statewide average to determine how far above or below a district is to the statewide average. When a district is below, they receive an additional

adjustment to bring them up to the statewide average. Conversely if they are above, they would receive a negative adjustment.

Member Jensen noted that it would be helpful for the Commission as a whole to understand teacher allocations and attendance zones.

Mrs. Peterson noted that the “Teacher Allotment Table” or the “Attendance Zone,” looks individually at every school in the state and awards teacher allotments based on the size of the school. For example, if a school has 50 students and the desired ratio is a 20-to-1, then they would receive three staffing allocations, multiplied by the average teacher salary to determine the award to the school and district.

Member Jensen asked if there would be discussion with regard to “Teacher Allocations” under the new Pupil-Centered Funding Plan.

Mrs. Peterson noted that the subject could be addressed in future presentations.

Presentation Part II: The Pupil-Centered Funding Plan

Deputy Haartz continued the presentation, which focused on:

- The components of the Pupil-Centered Funding Plan
- Background on the State Permanent School Fund;
- Funding sources;
- Legislative intent;
- Hold harmless provisions; and
- Side-by-side comparisons of the components, revenues, per-pupil amounts, and other aspects of the Nevada and Pupil-Centered Funding Plans (PCFP).

Deputy Haartz’s presentation also covered how the PCFP treats transportation, food service, equity adjustments, district administrative costs, categorical funding, student-based weighted funding, year-end true ups, and the education stabilization account differently from the Nevada Plan.

Part II: Questions and Comments

Member Paul Johnson commented that basic level of support and base support do not mean the same thing. He shared that the term the Commission has used for basic support guarantee prescribes the minimum and he indicated that there should be a distinction between the base foundation and a minimum. He also referenced a section within the Nevada Plan created four different grouping of school districts: small, central, urbanized and large. The purpose behind the groupings was to treat districts with similar demographics, industry, economies, wages, etc. similarly and the current funding formula may not capture that approach.

Member Jensen requested clarification with regard to self-funded districts and referenced Senate Bill 543 section 4, subsection 6(b).

Deputy Haartz indicated her understanding that Member Jensen was referring to the Net Proceeds of Minerals and shared that NDE's current understanding is that if a county generates said revenue, it would contribute towards funding the county would receive from the district distribution through the adjusted base per-pupil funding amount. Surplus revenue would be transferred back to the district.

Member Jensen followed up regarding how that would play into the ending fund balance.

Deputy Haartz stated that at this point in the process she would not be able to answer that question.

Member Jason Goudie asked how transportation and food service funding will be calculated.

Deputy Haartz stated that transportation is currently one hundred percent funded, whether through the Basic Support Guarantee or through the contributions of a local school district. She shared that she anticipates that under the new model it will continue to be fully funded on the presumption that the local tax revenues that will funnel through the State Education Fund will be sufficient to cover the expense.

Member Goudie asked how districts can be assured that will happen.

Deputy Haartz noted that the only specific direction that was given in the legislation for the manner in which transportation would be funded was that it was to be in an amount determined by the legislature to be reasonable.

Member Goudie shared his belief that NDE has the ability to put forward what those transportation costs are and it then becomes incumbent upon the Commission to show that while we are transitioning into the Pupil-Centered Funding Plan, the funding for that activity is coming into the State Education Fund.

Member Jim McIntosh asked if there would be any money in the Education Stabilization Fund by the next biennium.

Deputy Haartz stated she did not believe that there would be.

Member McIntosh asked what happens if revenues do not come in as projected. How can the state guarantee funding if there is not enough money or funding in the Education Stabilization Account?

Deputy Haartz stated that, as we transition from one funding plan to the other, it is difficult to predict what challenges we may experience, not only in the planning process, but in the implementation process. It certainly could fall under the purview of the

Commission to make a recommendation to the governor and the legislature to have some reassurance that we could go back for a supplemental appropriation if needed.

Member McIntosh confirmed that the term guarantee is no longer used in statute.

Deputy Haartz confirmed that Member McIntosh was correct.

Member McIntosh stated that charter schools receive a different base funding than county schools. He asked whether, under the Pupil-Centered Funding Plan, they would now receive a different base funding.

Deputy Haartz stated that the difference between the funding for a school district and a charter school is that a school district might have additional adjustments, specifically, the Necessarily Small School or the Small District Equity Adjustment. She said those adjustments are not available to charter schools. While the per-pupil amount would be the same for school districts and charter schools, there would be additional funds for a school district that had a Necessarily Small School or Small District Equity Adjustment.

Member McIntosh further confirmed that charter schools in Clark County would not receive the same adjustments that district schools would.

Deputy Haartz stated that that is correct.

Member McIntosh had a question regarding what is on the “outside” of the PCFP. He asked if the majority of funds are inside the framework and whether there were any revenue sources not covered in the presentation.

Deputy Haartz stated that the local revenues that transition to the State Education Fund are identified in Senate Bill 543. With regard to what is not part of the Pupil-Centered Funding Plan, that would be any federal dollars, any state or other revenues designated for match or maintenance of effort revenues, or any funding designated for a purpose outside of K-12 Education to include early childhood education, adult education, or educator licensure.

Vice Chair Guy Hobbs thanked Deputy Haartz and Mrs. Peterson for the presentation. He noted that the Commission has to make an interpretation of what is meant in the statutes, and how the legislation will be applied. Once the Commission agrees on the legislative intent, the mechanics would become simpler to model. Vice Chair Hobbs suggested that subject matter experts may be able to provide additional clarity.

Member Mark Mathers noted that it is hard to understate the significance of the structural changes in how districts are funded between the current Nevada Plan and the Pupil-Centered Funding Plan and asked how the Stabilization Account is funded.

Deputy Haartz noted that the question would be easier to answer once a model is in place and can see how the calculations actually work with real data. She shared that it is her understanding that if the tax revenues came in higher than anticipated in a particular year, they would stay in the State Education Fund and, at the end of the fiscal year, they would transfer to the Stabilization Account.

Member Mathers noted in addition to the district fund balances that are over 16.6%, the major source of funding for the Stabilization Account are higher-than-anticipated revenues. His understanding has been that the trade-off in Senate Bill 543 is that, while there is no longer any guarantee to base per-pupil funding, when revenues come in higher than expected, rather than reduced the State's General Fund commitment as happens under the Nevada Plan, those revenues would stay in the State Education Fund and could be used in the Stabilization Account. He said he would be interested in hearing from Applied Analysis on this point.

Jeremy Aguero of Applied Analysis joined Deputy Haartz at the presentation table. He started by saying that Deputy Haartz answers have been accurate and that the presentation was one of the best comparisons between the Nevada and the Pupil-Centered Funding Plans that he has seen.

Mr. Aguero continued that Member Mathers was exactly right and would also agree with Deputy Haartz's point that it would be much easier to evaluate the Stabilization Account when the model can be run.

Member Mathers stated that his goal was to confirm that NDE agrees with the interpretation that higher-than-expected revenues - whether it's sales tax, property tax, franchise taxes, etc., - will not reduce the state's General Fund commitment.

Heidi Haartz agreed that she believes that is the intent of Senate Bill 543..

Member Mathers noted that over time, this structural change in the Pupil-Centered Funding Plan will increase school funding incrementally over time. Under the Nevada Plan, the portion of the State's General Fund budget that has gone to K-12 education has decreased virtually every year.

Mr. Aguero noted another key structural change contained in Senate Bill 543 is that funding would be based on the Economic Forum's estimate of revenues for the biennium. He said the intent is that the amount of General Fund money committed to K-12 will rise equal to the anticipated increase in General Fund revenues that the state receives. Therefore, no longer will you see a decline in the portion of the state's budget as a percentage that goes through K-12 Education.

Member Johnson noted that there is an important distinction to make with respect to the fund balance. Currently, most school districts have fund balance reserves. The Stabilization Fund is in NRS, but by governmental accounting standards it is supposed to be recorded as part of

districts' General Fund because there is no source of revenue committed to that fund source. It is essentially a restricted portion of the fund balance. He said the district has considered that separate and non-spendable because they could only spend it under certain circumstances. Member Johnson requested clarification on whether fund balance refers to unrestricted fund balance or general fund balance.

Deputy Haartz noted that NRS 354.533 indicates that fund balance "means the excess of assets over liabilities in a governmental fund." I recognize that is a very cut-and-dry definition, but that is what currently is in statute. Deputy Haartz deferred the question to Mr. Aguero.

Mr. Aguero stated that Member Johnson is right that Senate Bill 543 is silent in terms of how fund balance is differentiated. Based on the conversations during the development of SB 543 and the formation of the statute, fund balance refers to the uncommitted portion of the ending fund balance because operationally, that is the only way that works for school districts. He stated he believes that the Bill is ambiguous intentionally.

Deputy Haartz stated that the Commission has the opportunity to make recommendations to the governor and the legislature and could request clarification regarding the relevant section of statute so that there is a level of clarity and common understanding.

Member Casey noted that restricted and reserved are assumed to be synonymous and, if they are not, requested an explanation from Member Johnson with regard to the difference.

Member Johnson noted that Member Casey's question was what he had been trying to clarify.

Member Casey asked if fund balance applies to charter schools.

Deputy Haartz stated that the transfer of ending fund balances as currently written in Senate Bill 543 pertains to county school districts.

Member Casey noted that the relevant provision does not specifically exclude charter schools.

Deputy Haartz stated that the relevant portion of Senate Bill 543 is only applicable to school districts.

Member Casey asked for clarification with regard to the order of the distribution of funds under the Pupil-Centered Funding Plan and when weights would be applied.

Deputy Haartz stated that there are five levels of funding identified in Senate Bill 543 and the weights and adjustments are tied to the Statewide Base Per-Pupil Funding Amount. Once the Statewide Base Per-Pupil Funding Amount has been established, the weights can be applied to that to figure out what that supplemental amount would be for certain

categories of students. She said that the best approach would be to set weights rather than back into them. She said that until the Commission has made recommendations regarding the weights, it is difficult to know what is within the budgetary parameters.

Mr. Aguero stated that the net proceeds of mining dollars have to be the first dollars out. He added that the concept of base in SB 543 is that the base is the same as it was the prior year, with certain adjustments for inflation and enrollment. The base has to be known before weights can be calculated. However, the sum of the parts cannot be greater than the whole: The base must be equal to what it was last year. You cannot diminish the base or fund the weights at the expense of the base. He added that the calculation of the weights comes from a two-step process: first, the initial weight, and second, additional revenue coming in that may result in proportional adjustments to meet the needs of the students of Nevada.

Member Casey asked to clarify what Mr. Aguero described with regard to excess revenues and weights. He asked at what point excess revenues go into the Stabilization Account versus using them to meet targets.

Deputy Haartz stated that if there is excess revenue in the State Education Fund at the end of a fiscal year, that amount would transfer to the Stabilization Account.

Member Casey asked whether if more revenues come in that anticipated, more dollars can be applied to the weights.

Deputy Haartz stated that according to Senate Bill 543, the Commission will have an opportunity prior to each legislative session to review the weights and make recommendations to the Superintendent of Public Instruction. The Commission may revisit the weights or the methodology for calculating those weights.

Chair McCormick-Lee requested that Deputy Haartz walk through the components of the PCFP, especially food and transportation, and describe whether or not the Commission would have input on each.

Deputy Haartz stated that, according to Senate Bill 543, the Commission can make recommendations in a plethora of areas, but there are a limited set of recommendations that are required from the Commission to move forward with the implementation. She said that NDE needs to work with school districts to determine what is currently being spent on food service so that if it is not federally funded, it can be placed into the Pupil-Centered Funding Plan.

Chair McCormick-Lee asked about what decision points or thinking is needed from the Commission to inform NDE's work on the formula.

Deputy Haartz referenced the last slide in the presentation that identifies the activities that involve NDE and the Governor's Finance Office as well as opportunities for the

Commission to provide specific input into the development of the funding model. She noted that NDE is seeking input and recommendations from the Commission with regard to the Small District Equity Adjustment as well as, the Necessarily Small School Adjustment. She added that NDE is also seeking input from the Commission on the Cost Adjustment Factors and weights for the four student categories included in the Bill. She said that NDE would also be interested in receiving input from the Commission on what would be an appropriate district administrative cost cap, noting that the Department has contracted with subject matter experts who will be providing information to the Commission to support its decision making.

Deputy Haartz shared updates with regard to the project timeline and the work of the contracted subject matter experts:

- WestEd will provide information on reporting requirements that pertain to Senate Bill 543 as well as information on reporting requirements in other states with similar funding models
- In January 2020, APA will provide an update on the Cost Wage Index or other Cost Adjustment Factors
- Applied Analysis has been contracted to assist with the development of the funding model, and specifically to provide additional input as to the impact of various adjustments within those decision points that need to be made for the formula

Deputy Haartz noted that most of the contracted work should conclude by April, which is districts would be expected to generate a budget to compare their budget under the Nevada Plan to how it would vary under the Pupil-Centered Funding Plan if it were implemented in the current biennium.

Agenda Item #6 - Future Agenda Items (Information and Discussion)

Chair McCormick-Lee requested information regarding where the Commission would need to focus their attention and provide input, recommendations, decisions, or ideas. She asked Commission Members to indicate any information they would like NDE or the subject matter experts to prepare for future meetings.

Member Jensen requested that APA's work on the cost adjustment factors reflect the unique context of Nevada. Relative to the small schools adjustment, he asked NDE for information about how the small schools adjustment would affect teacher allocations under the current attendance zone model. He also asked NDE to capture a representation of the current weights used for special populations.

Member Morris Hibbler thanked Superintendent Ebert for bringing in technical support from subject matter experts. She noted that the PCFP is a huge shift in the way school principals will allocate resources and make programming decisions because everything will be rolled into the base. She requested program-level detail for a couple of schools to examine their funding models. Member Morris Hibbler encouraged school stakeholders to engage in providing

feedback sooner than later so they are not too late to be addressed in decision making. She requested that the Commission delve deeper into categorical funding under the Nevada and Pupil-Centered Funding Plans.

Member Mathers echoed the sentiments of Member Morris Hibbler and asked NDE to crosswalk current categorical funding to the weights.

Member Johnson asked Member Mathers if he would want to see all of those by description in the category or by dollar amount in the category.

Member Mathers answered affirmatively that he is more concerned about the dollar amounts, but it would be good to see the larger program it relates to.

Chair McCormick-Lee stated that only a certain number of grants go to a small group of schools. She asked Member Mathers if he was referring to taking a grant that goes to that small group of schools and dividing by the number of students that is intended for to come up with some dollar amount.

Member Mathers noted that he is just trying to map the budgeted dollars or the applicable grant program to the applicable weight.

Deputy Haartz offered to look at the funding that is going directly toward students that, under the Pupil-Centered Funding Plan, will be eligible for additional weighted funding. She stated that NDE cannot do a comparison for what is versus what will be until the Commission makes recommendations regarding the weights.

Member Mathers noted that Applied Analysis's presentation during the legislative session mapped out different grant programs to the different weight categories. He asked for this approach to be applied to the funding amounts. He said that since SB 543 says the weighted categories cannot receive less in the future than they do currently, the Commission needs to understand the current funding amounts going to different student groups through grant programs.

Member Punam Mathur asked with Deputy Haartz to confirm that there are five layers in new the Pupil-Centered Funding waterfall.

Deputy Haartz confirmed that is correct. The Pupil-Centered Funding Plan includes five types of funding.

Member Mathur noted that she agreed that information in response to Member Mathers' request would be helpful, if possible, and to understand the comparable amount in each of the other four levels.

Deputy Haartz stated that it is possible in order to establish the starting point. For the statewide base per pupil amount, NDE would have to identify which of the levels of funding current expenditures fall within and then include the expenditures that are currently funded at a county level using county revenues.

Member Mathur noted that there is a January timeline for updating the comparative wage index (CWI), which is a critical element of the formula. She said she is not sure how the Commission can make recommendations on the CWI without having a simultaneous awareness of its implications to all of the other aspects of the formula.

Deputy Haartz stated that the goal is that the subject matter experts will attend meetings of the work groups and the Commission to make recommendations and provide options that the Commission may wish to consider. Based on the recommendations of the Commission, NDE will work with the subject matter experts to continue building out the calculation in a very concrete and deliberate manner.

Deputy Haartz added that as we continue to build out the formula, there are two opportunities to reset. The first would be before we run the calculation using fiscal year 2020 and 2021 data and ask school districts to provide a budget for comparative purposes. The second opportunity would be after the review of the county school district budgets, which are due to the Commission on or before May 15, 2020, which could then be included in the recommendations from the Commission due to the governor and the legislature by July 15, 2020.

Member Morris Hibbler would like to understand how, when all of the funding is in one pot, how schools will offer programs and services now that dollars that were once earmarked will be divided among all students. She stated she would like this aspect of the work to be very transparent so that all stakeholders understand what will need to be done moving forward.

Deputy Haartz shared with the Commission that the Chief Financial Officers for the school districts meet on a quarterly basis. She said NDE would be asking the CFOs for input on what types of information that they would like to see in future guidance documents pertaining to the implementation of the Pupil-Centered Funding Plan. Deputy Haartz added that one of the deliverables from WestEd will be helping craft guidance for school districts and individual schools.

Chair McCormick-Lee redirected the conversation to potential future agenda items.

Member McIntosh commented that the Reporting and Monitoring Work Group would like a sense of the reporting requirements outlined in the Bill and whether there are examples of what the reports will look like.

Member Johnson stated that the Commission will need to take into consideration that school districts are going to be recording expenditures in categories of need and, as a result, per-pupil

spending will not match per-pupil revenue. He said that if school districts are not going to get a comparison of current and future spending until the formula is complete, they may be scrambling – time is of the essence so the impacts to districts and students are understood as soon as possible.

Member Mathers asked if the APA could attend the Formula and Distribution Work Group meeting the following morning to discuss the CWI. He also suggested it would be helpful for the Work Groups to have a better understanding of the way that school districts develop a budget, manage staffing, and report costs before the Commission prescribes a specific way to handle reporting in the future.

Member Casey requested that charter schools be included in the discussion. He stated that nearly 50,000 students attend schools within the State Public Charter School Authority (SPCSA), so it is necessary to understand how charter schools budget and operate. He suggested that the SPCSA or another group could do a presentation on that topic.

Member McIntosh noted that there are only a handful of variables over which the Commission has purview. He stated that there is a model that exists that was prepared during the legislative session that the Commission can access and that he believes is complete except for the weights and adjustment factors. He noted that until there are answers on the variables, the Reporting and Monitoring Work Group will have difficulty moving its work forward.

Deputy Haartz noted that the model that Mr. Aguero developed during the legislative session was a catalyst to begin to craft legislation and to begin the conversation and transition from the Nevada Plan to the Pupil-Centered Funding Plan.

Member McIntosh asked whether the Commission would be starting a model from scratch or whether NDE will present a framework for consideration. He asked when the Commission will have access to such model.

Deputy Haartz noted that Applied Analysis, through its contract with NDE to support the Commission's work, will facilitate the development of a model using the parameters in Senate Bill 543 and based on the recommendations of the Commission. Deputy Haartz said she anticipates that there will be an ongoing dialogue as the model is built out based on the input and recommendations from the Commission.

Chair McCormick-Lee confirmed that the Commission and NDE will be engaged in an iterative process. Regarding future topics, she said that Boston uses an Opportunity Index that takes a more accurate approach to determining at-risk students than relying solely on eligibility for free-or-reduced lunch. She indicated that she could provide contact information for the relevant experts as it would be helpful. She added that she is interested in the work going on in Denver, where they are using per-pupil funding and reporting for accountability and budget purposes. She expressed interest in hearing their lessons learned and the barriers, challenges, or benefits in their transition.

Agenda Item #7 - Public Comment #2

Public comment will be taken during this agenda item on any matter within the Commission's jurisdiction, control, or advisory power. No action may be taken on a matter raised under this item until the matter is included on an agenda as an item on which action may be taken. A time limit of three minutes will be imposed by the Commission Chair in order to afford all members of the public who wish to comment with an opportunity to do so within the timeframe available to the Commission.

No public comments in Carson City.

Member Johnson thanked the Nevada Department of Education and the consultants for all of the work that they have done. He stated that Deputy Haartz has done a great job. He added that the Commission needs to take a look at the adequacy of staffing with respect to the Nevada Department of Education and make sure that, moving forward, there is support for the formula and the changes that the Commission is recommending.

Agenda Item #8 – Adjournment

The meeting was adjourned at 3:33 p.m.