



AUGENBLICK,
PALAICH AND
ASSOCIATES

Competency-Based Education Study Report

Jennifer Piscatelli, Michaela Tonking, and Dr. Amanda Brown

APA Consulting

July 24, 2026

Origin of the Study

- Section 81 of Senate Bill 460 requires the Commission to conduct an interim study concerning certain subjects relating to school funding
 - The competency-based education study was commissioned under this provision
- **This report is informational for the Commission's potential future consideration; no action or recommendation is needed;** Conducting the study fulfills the requirement of SB 460

Recap: CBE Study Purpose and Activities

Purpose of the study: to understand how other states fund CBE and model potential Pupil Centered Funding Plan (PCFP) funding impacts

Four main study tasks:

- Policy and literature review
- Meetings/panels with state and district leaders
- Funding implications and cost modeling
 - Potential funding needed and/or PCFP impacts of CBE implementation
- Final report

Recap: Competency-Based Education

What Is Competency-Based Education?

- No single nationally agreed upon definition
- In Nevada, **NRS 389.200 defines competency-based education (CBE)** as “a system of instruction by which a pupil advances to a higher level of learning when the pupil demonstrates mastery of a concept or skill, regardless of the time, place or pace at which the pupil progresses”

Recap: Nevada CBE Efforts

- 2017: Assembly Bill 110 created the Competency-Based Education Network and Pilot Program
- 2023: Adopted Nevada Portrait of Learner Project (2021-2023)
- 2023: Nevada Future of Learning Network launched (October)
- NV Commission on Innovation and Excellence in Education's 2025 report laid out a shared vision of personalized learning for all NV students



LITERATURE REVIEW AND POLICY SCAN

Recap: CBE Literature Review

- **Implementation of CBE can intersect with multiple state policy areas:**
 - Flexible learning pathways
 - Accountability systems
 - Assessment systems
 - Educator training and support
 - Holistic student support
 - Responsive funding systems

Recap: State CBE Policy Scan Takeaways

- **Every state has policy flexibility** that could allow for some level of competency-based education, but wide variation exists
- **No state explicitly funds competency-based education within its funding formula for traditional schools**
 - In recent years, 14 states have provided grant or capacity-building funding to support the development of CBE

State CBE Funding Approaches

- In recent years, **14 states have provided some grant or capacity-building funding for CBE**
 - **Missouri:** \$2.2M CBE grant program awarded in 2024 to 6 districts and one LEA collective to support CBE programming. Students who complete competency-based courses are fully funded
 - **Utah:** Grant program provides up to five years of funding for district planning and implementation. FY25-26: approximately \$3 million to support CBE
 - **Washington:** State Mastery-based Learning Collaborative, with 4-year funding periods for pilot sites beginning in 2022; designed to inform future policy

The background of the slide is composed of several overlapping triangles in various shades of green and one in a muted purple. The triangles are arranged in a way that creates a dynamic, geometric pattern. The colors range from light, pale greens to darker, more saturated greens, with the purple triangle being a distinct, darker shade.

STAKEHOLDER ENGAGEMENT

Stakeholder Engagement

- State-level interviews with NDE staff and staff from Center for the Future of Learning
- District focus groups: about 30% of districts participated, representing 79% of students in the state
- Participants were asked:
 - What does CBE mean in your district/how is it implemented? Is there more you plan to do or wish you could do?
 - Where have you seen success in implementing CBE and what are the key challenges?
 - What funding implications do you see from CBE implementation (present or future)?

Implementation Themes

- Across districts, competency-based education is interpreted and implemented differently
 - Even within districts, there is variation by school
- While further ahead than many states, Nevada is still early in the adoption and implementation of personalized CBE
- Successes: increasing internship and dual enrollment opportunities, integrating more project-based learning, and aligning with career and technical education
- Challenges: measurements of competency, requirements such as seat time, and differences in district implementation approaches

Cost Implication Themes

- Districts are focused on how to use CBE to make the most of the current school year, not using CBE to graduate students early
- Potential cost implications of CBE:
 - Adoption/development of alternate measures of student mastery of knowledge and skills;
 - Adoption of flexible learning management systems;
 - Creation of skill- or mastery-based report cards and transcripts;
 - Family engagement/education;
 - Teacher and administrator professional development; and
 - Additional student support personnel to support personalized learning opportunities and coordinate out-of-school opportunities such as internships and work-based learning



FUNDING IMPLICATIONS AND COST MODELING

Funding Approaches for Future Consideration

- The following slides outline potential CBE funding approaches and considerations of each
- Reminder: no action or recommendation on these approaches is required by the Commission
 - Intended to inform future Commission discussions

Funding Approaches

Separate PCFP Tier	Within PCFP Adjusted Per-Pupil Base or Weighted Funding	Categorical Outside of the PCFP
As an additional, separate tier in the PCFP waterfall to support ongoing implementation	- Through a change to student count policy - Through additional funding as part of the base - As a separate CBE weight	Through state-funded grants for pilot programs and/or additional state capacity

Cost Estimation Limitations

- No state currently funds CBE as a separate component within its traditional K-12 funding formula
- Nevada focus group participants shared potential cost areas but were not able to identify a specific level of resource (such as an amount of staffing needed) needed to implement CBE
- Some identified cost factors may represent new costs, while some might be one-time cost or covered through reallocation of existing resources
- Without common definition and expectations for schools and districts, difficult to create Nevada-specific cost estimate

Separate PCFP Tier

- **Possible approach: provide funding through a separate tier within the waterfall**, like Auxiliary Services (Tier 1) or Local Special Education (Tier 2)
 - Allows for differentiated funding to LEAs to reflect differences in adoption/implementation
- **Considerations**
 - Could require new expenditure tracking at LEA level if funding based on prior expenditures
 - Funding would likely come before adjusted base and weights, reducing amount of funding available in those tiers
 - Reimbursement for students graduating high school early (Utah example), could also fall in this tier option

Within PCFP Adjusted Per Pupil Base: Student Count

- **Possible approach: adjust how CBE students are counted**
 - Allow students to generate more than 1.0 FTE for funding purposes
 - Reimburse districts for students that graduate early as a result of participating in CBE, funding through additional student FTE in the following year
- **Considerations**
 - Any increase in Nevada's overall student count for funding could result in a decrease in the available base funding amount if the total PCFP funding allocation remains the same

Within PCFP Adjusted Per Pupil Base: Additional Base Funding

- **Possible approach: provide additional funding within the PCFP base**
 - Additional funding could be provided by **increasing the statewide base allocation by a set dollar amount**, if Nevada set the expectation that all LEAs would offer CBE at a similar scale
- **Considerations**
 - Not all charter LEAs serve high school students, the primary group in some CBE models, so these LEAs could be overfunded in those circumstances
 - Funding would be adjusted for attendance area size, likely appropriate assuming that costs would be higher due to economies of scale
 - Would either increase the amount of funding generated by student weights, or require the weights to be reduced to not generate more than current weight funding, assuming overall PCFP allocation is the same

Within PCFP Weighted Funding: CBE Weight

- **Possible approach: develop a specific CBE weight, applied only to the count of participating students**
 - Unable to estimate an appropriate weight amount at this time without understanding future participation level
- **Considerations**
 - Since the weight would come at the end of the waterfall, fewer downstream impacts, but could impact the amount of funding available for other weighted funding if total funding level is fixed
 - Would transparently identify how much funding is being provided for CBE
 - Could require LEAs to separately track expenditures if consistent with reporting for other weighted funding categories

Categorical Outside of the PCFP

- Many state examples of categorical funding programs
- Used **three current/recent pilot programs to estimate the costs of potential categorical funding for a pilot program**
 - Missouri's 2024 competitive grant program to districts
 - Utah's Personalized Competency-Based Learning Grants Program (established 2021)
 - Washington's Mastery-Based Learning Collective Demonstration Sites Project (established 2021)

Categorical Funding – Pilot Program

- **Possible approach: School/District Pilot Program**
 - Assumed 4-year pilot program for 10 schools
 - Planning Year: \$30,000 per school
 - Two Implementation Years: \$150,000 per school total over two years
 - Scaling/Expansion Year: \$20,000 per school
 - **Total: \$2 million over four years**
- **Considerations**
 - Would require legislative appropriations over the course of the pilot, not guaranteed to be maintained or increased

Categorical Funding – State Capacity

- **Possible approach: State Support/Capacity Building**
 - Several states' programs include broader state efforts to learn from pilot programs to inform state policy development, develop CBE resources, and/or convene state-level task forces or work groups.
 - Within this option, range of possible resources to fund:
 - Additional SEA staffing, 1-2 FTE (\$99,000 - \$198,000)
 - Development of state-level resources, wide range depending on activities (\$25,000 - \$500,000)
 - Convening advisory or working groups (\$20,000 - \$75,000)



RECOMMENDATIONS AND DISCUSSION

Recommendations

- Commission on School Funding and its CBE Work Group should **monitor the ongoing work and any recommendations of the Commission on Innovation and Excellence in Education as well as any state policy developments** related to CBE
- **No changes to PCFP should be made in the short term** for implementation of personalized, competency-based education
- Should the state seek to incentivize district adoption of personalized competency-based education, **funding a CBE pilot program through a categorical grant** is a recommended next step

Lessons Learned

- Lessons learned in this study can apply beyond CBE
 - Can apply when thinking about independent study programs, dual enrollment, and other areas where students may progress at a different pace than the traditional model
 - Best practice would be to keep funding outside of the PCFP when in an exploratory or piloting phase
 - Allows time to more fully understand the resource needs and most appropriate PCFP placement based on expected consistency of implementation between LEAs

Discussion

- What remaining questions do you have about:
 - Competency-based education, its funding or implementation?
 - Lessons learned?