

## NEVADA DEPARTMENT OF EDUCATION

### COMMISSION ON SCHOOL FUNDING

**MEETING MINUTES** – Draft for approval at the May 15, 2026, Commission meeting

**Date:** April 24, 2026

**Time:** 9:00 AM (Called to order at 9:06 AM; Adjourned at 1:48 PM)

**Locations:** NDE-LV Bighorn Conference Room, NDE-CC Silver Ore Conference Room, and Virtual (YouTube)

#### AGENDA

##### 1. Call to Order, Roll Call (Agenda Item 1)

Zach Khan, Administrative Assistant III for NDE, called the roll call. Roll call established a quorum with the following members present: Chair Hobbs, Member King, Member Reeves, Member Casey, Member Dayhoff, Member Mathers, Member Ritchie, and Member Stahlke. Vice Chair Woodhouse, Member Mathur, and Member Brune joined virtually later in the morning.

##### 2. Public Comment #1 (Agenda Item 2)

No public comment.

##### 3. Consent Agenda (Agenda Item 3) (For Possible Action)

**Motion:** Member Ritchie motion was made to approve the April 3, 2026, Commission Meeting Minutes Summary.

**Second:** Member Dayhoff

**Action:** Passed unanimously

##### 4. Nevada Department of Education Update (Agenda Item 4) (Information and Discussion)

The Commission will receive an update on the progress made by the Nevada Department of Education since the last meeting.

- Melissa Willis, Administrative Services Officer IV, NDE

Melissa Willis stated that the Department has been actively pushing to fill vacancies of the positions acquired through AB 460 and to partner with the newly formed Education Service Center. The Department is currently in the grants cycle getting as many grants approved and processed by July 1. The Department has also been working on regulation updates, BDR (bill draft request) development, the budget build kick-off and year end closing. As of Next week, the May 1st payments will be sent to local education agencies, expenditures continue to outpace revenues, and the Department anticipates transferring approximately \$60 million from the Education Stability Account (ESA) to cover expenses. The Department is working with Taxation and the Controller's Office to ensure the Department can pay the ESA back at the close of the fiscal year. After this transaction, the

Department will have borrowed just under \$110 million dollars, and the balance of the ESA will be roughly \$580 million. An update of the tasks and requirements of the Commission was presented. A rough draft of the BDR is due from the Commission by June 1, with a final draft being submitted by September 1.

5. **Working Group Updates (Agenda Item 5)** (Information, Discussion, and Possible Action)

The Working Group Lead will provide an update on the activities of the Working Group since the last meeting. Commission may discuss and make possible recommendations based on information shared by the working groups.

- **At-Risk and Competency Based Working Groups:** Member Justin Dayhoff reported the two working groups have held meetings with our consultants and Member Orr from the State Board of Education with regard to their efforts on At-Risk. Anticipates bringing work forward at the next meeting.
- **Charter Reserve Working Group:** Member Ryan Reeves reported the group has obtained charter reserve standards from S&P as well as a report on the median standards under each five gradings. Will be gathering further information before bringing it back to the Commission.
- **Optimal Funding Working Group:** Chair Hobbs expects to get statistics to recalibrate average per pupil funding across the states to set funding targets. Chair Hobbs expects the discussion to occur at the Commission meeting in June.

6. **Additional Clarification on Enrollment and Weighted Count Recommendation (Agenda Item 6)** (Information, Discussion, and Possible Action)

The Commission's duty is to review the current procedures regarding how and when pupil counts are pulled and utilized in determining functioning allocations. Review the impacts of the differences of timing and fluctuating counts to ascertain the funding is both steady and equitable for all public schools. The Commission will discuss the motions made on April 3, 2026, and how they meet this objective.

- Dr. Amanda Brown, Vice President, APA
- Michaela Tonking, Senior Associate, APA

After a discussion between Chair Hobbs and the Deputy Attorney General Greg Cloward regarding the previous motion from April 3, 2026, on this topic, it was determined that the last action should be rescinded prior to a new motion if they are in conflict. Dr. Brown and Michaela Tonking, from APA, provided a presentation to the Commission on the potential impacts of having a single October 1 count day for the enrollment of students in the Pupil-Centered Funding Plan and reviewed other potential dates for a single count enrollment. Recommended that if the Commission was looking for a single day count, to use April or another day in that quarter of the prior school year to increase predictability, responsiveness, and stability through the budgeting and payment cycles as moving closer to a quarter three count day will provide a enrollment numbers closer to the current year without the challenges that come with funding in the current year.

- **Motion:** Member Dayhoff motioned to rescind the previous meetings recommendation to adopt a Single Count Day in the Current Year for base funding, align the Weighted Funding count to the exact same day, and modify the Hold Harmless provision to 3% (meaning a

district absorbs an enrollment loss *up to* 3%, but the state holds them harmless for any loss *beyond* 3%).

- **Second:** Member Reeves.
- **Action:** Passed. Members Mathers and Casey dissented.

The Commission requested to bring back the item in May and clarify the EGA adjustment and the continuing need for a hold harmless if a single count day is selected. APA will attempt to collect data on an April 1 and March 1 count day and bring it back to the commission.

#### 7. **Discussion on Bill Draft Requests (Agenda item 9)** (Information, Discussion, and Possible Action)

Under Senate Bill 460, section 62, the Commission may request the drafting of not more than one legislative measure which relates to matters within the scope of the Commission. The Commission will have a discussion on the potential topics to be covered in the Commission's Bill Draft Request (BDR).

- Guy Hobbs, Chair, Commission on School Funding

The Commission discussed concurrently drafting a Commission-sponsored BDR while working with external legislators to sponsor other policy recommendations. The Commission questioned whether a working group could work on draft language to bring back to the Commission for approval. Deputy Attorney General, Christena Georgas-Burns stated that the working groups can have a discussion, deliberate on the contents, and provide a draft to the Commission for approval.

The Commission highlighted enrollment trends, weighted funding as it applies to enrollment trends and the stacking of weights, a study of the state's fiscal system as a whole, optimal funding and sources of revenue to fund at an optimal level within 10 years, reinforce the Commission's prior recommendation of removal of the quintile in the At-Risk definition, charter reserves depending on any action taken by the Commission in future meetings, expenditure reporting and tier allocations, and further support and provide increased resources for the Education Service Center as possible topics for inclusion in a BDR. Chair Hobbs and Member Dayhoff volunteered to be on the working group that will provide a draft to the Commission. This item was carried to the May agenda with an initial draft due on June 1.

#### 8. **Expenditure Reporting (Agenda Item 7)** (Information, Discussion, and Possible Action) NRS 387.12463(b) requires the Commission to monitor the implementation of the Pupil-Centered Funding Plan and make any recommendations that improve the implementation or correct any deficiencies. The Commission shall review the use of the 387 Financial Report to improve the accuracy and efficiency of recording and allocating costs.

- Dusty Casey, Expenditure Reporting Working Group Lead
- Dr. Kelsey Krausen, Director of Education Finance, WestEd

The Commission reviewed a presentation from WestEd and the working group regarding the financial reporting process for education in Nevada. The working group reviewed budgeting, accounting, for resources, the financial reports, and the audit as well as the agencies involved and who own the reports. The working group also investigated the differences in reporting between

charters and districts and what other states reporting requirements look like. It was noted that NDE is currently working on an integrated financial reporting system.

- **Motion:** Member Casey made motion to continue the funding of an integrated financial management system, managed by NDE, for all financial reporting that satisfies Department of Taxation reporting requirements. In the interim, strengthen NDE's role in the collection of education budget information (e.g., adjusting templates to align with expenditure reporting and chart of accounts, providing budget trainings to LEAs, and compiling and analyzing budgets and expenditures to support districts in financial distress or with a pattern of disconnect between the planned and actual expenditures). Motion includes corrections to the calculation in the local SPED tier to include transfers from the district to the charter schools they sponsor and the handling of fund balances.
- **Second:** Member Mathur
- **Action:** Passed unanimously

9. **Tiered Allocations (Agenda Item 8)** (Information, Discussion, and Possible Action) Per the Legislative Letter of Intent, the Commission shall review the newly created categorical program within the Nevada Department of Education's Other State Education Programs budget account intended to maintain the same level of financial support for salary increases through Senate Bill 231 of the 82nd legislative session (2023), including recommendations on a budgeting methodology for future biennia and the potential incorporation of this funding into the Pupil-Centered Funding Plan.

- Dr. Amanda Brown, Vice President, APA
- Michaela Tonking, Senior Associate, APA

The working group reviewed the national policy scan of transportation funding and reviewed the effects of removing transportation from the auxiliary tier and including in the base. The group also reviewed the outcomes of changing transportation expenditures from a 4-year average to either a two-year average or prior year and the potential outcomes of including 231 teacher raises from the 2023 session into the base. The group determined that adding transportation to the base does not reflect the actual costs that the districts face and that three districts would see a reduction of funding greater than 50%. After comparing a four-year, a two-year and a prior year transportation funding, the group determined that a two-year average aligns better with actual costs and to get in better alignment with the practices of other states. While the group determined that a two-year average is an improvement to the funding plan, the costs in the tier should be divided between operation and capital expenditures for transportation and the capital expenditures should be allocated based on a five-year average.

The working group also determined that adding SB 231 teacher raises into the base would take from Clark and reallocate their raises to the other districts. Moving into the base does not reflect the actual costs of the raises. The working group recommended either keeping the raises separate and outside of the PCFP or adding it as a tier to the PCFP. Concern was raised about complicating the model by increasing the number of tiers.

- **Motion:** Member Casey made a motion to keep transportation in Tier 1, reimburse operating costs using the average of the prior two years, reimburse capital transportation costs over five years, and to provide transportation reimbursement for charter schools through the same methodology as districts. Reimbursement for capital costs would come from any fund including reimbursement of

financing of capital. If a charter only has one year of transportation operations, that may be included in the calculation despite not having a second year of operations at that time.

- **Second:** Member King
- **Action:** Passed unanimously
  
- **Motion:** Chair Hobbs made a motion to keep the 231 teacher raises outside of the Pupil-Centered Funding Plan as is.
- **Second:** Member Mathur
- **Action:** Passed unanimously

#### 10. **Future Agenda Items (Agenda Item 10)** (Information and Discussion)

Items not appearing on the agenda may be considered possible topics for the Commission to hear at the next meeting.

- Guy Hobbs, Chair, Commission on School Funding

Enrollment counts and the items from the Commission duties are to be included in the next meeting as well as Charter Reserves and At-Risk. NCES will probably not be available in May but will come back in June with target funding values.

10. **Public Comment #2 (Agenda Item 11)** provides an opportunity for members of the public to address the Commission on any matter within its jurisdiction, control, or advisory power. 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. However, these comments may inform future agenda items where action is possible.

Eduardo Martinez (Western Public Affairs on behalf Charter School Association of Nevada) submitted a written comment urging the Commission to provide a public update on section 81 of SB 460 and the inequities impacting charter schools.

Chair Hobbs adjourned the meeting at 1:48.