

**NEVADA DEPARTMENT OF EDUCATION  
COMMISSION ON SCHOOL FUNDING  
AUGUST 25, 2023  
9:00 AM**

| <b>Office</b>           | <b>Address</b>     | <b>City</b> | <b>Meeting</b> |
|-------------------------|--------------------|-------------|----------------|
| Department of Education | 2080 E. Flamingo   | Las Vegas   | Board Room     |
| Department of Education | 700 E. Fifth St.   | Carson      | Board Room     |
| Department of Education | Virtual/Livestream | Virtual     | Livestream     |

**SUMMARY MINUTES OF THE COMMISSION MEETING**

**COMMISSION MEMBERS PRESENT**

Guy Hobbs, Chair  
Nancy Bruner  
Dusty Casey  
Jason Goudie  
Dr. David Jensen  
Paul Johnson  
Punam Mathur  
Jim McIntosh  
Kyle Rodriguez  
Joyce Woodhouse  
Mark Mathers

**DEPARTMENT STAFF PRESENT**

Megan Peterson, Deputy Superintendent of the Student Investment Division  
James Kirkpatrick, State Education Funding Manager  
Beau Bennett, State Education Funding Specialist  
Peter Zutz, Director Assessments, Data and Accountability

**LEGAL STAFF PRESENT**

Gret Ott, Deputy Attorney General

**AUDIENCE IN ATTENDANCE**

Chris Daly, Nevada State Education Association  
Beau Bennett, Nevada State Education Association

**1. Call to Order, Roll Call**

Meeting called to order at 9:00 a.m. by Chair Guy Hobbs. Quorum was established. Chair Hobbs noted for the record that they are joined by Chief Deputy Attorney General Greg Ott.

**2. Public Comment #1**

There was one public comment from Chris Daly. “Chris Daly, Nevada State Education Association, the voice of Nevada educators for over 120 years. As you know for decades, Nevada is ranked near in the bottom of States in education funding. This April, the National Education Association released their annual ranking of the States for 2022 and Nevada continued to struggle at \$11,280 per pupil that year and Nevada once again ranked 48th in the Country, more than \$5,000 behind the national average and about a thousand dollars behind both Alabama and Mississippi. While certainly it’s promising that the K-12 budget was increased by 26% over last biennium and 318 million dollars more than even the Governor's recommendation at the beginning of the session. This good news was blunted by minimal increases in previous years that also saw record inflation eating away most of those proposed increases. In 2019, the Legislature created this Commission on School Funding and passed you with study and what it would take for Nevada to reach optimal funding in 10 years. Accounting for most of the historic increases, the K-12 funding recommended in the Governor's budget, Chair Hobbs came to the legislature and showed that Nevada would still need to raise over two billion dollars per year to reach optimal education funding by fiscal year ‘33. I trust Chair Hobbs will have a better and more exact numbers this morning. This commission was additionally tasked with making recommendations to the legislature on how the State could raise the necessary funds. The two areas that you recommended were sales tax and property tax best described in your November 2022 report. I’ll read a short paragraph from that. As noted, there are only two sources of tax revenue that have the capacity to achieve the identified levels of annual funding increases over time, property tax and sales tax. While other tax sources can certainly be considered to complement or supplement the overall funding strategy, the revenue demands to achieve the targeted levels of funding in the coming decade would not be achievable without significant contributions from the tax capacity that exists within the property and sales tax systems. Unfortunately, while the Governor and legislature were able to program additional funds into the K-12 budget this year, they failed to move the ball on any new sources of revenue including on the Commission's recommendations. This will need to be addressed, if Nevada is ever to approach optimal education funding. Thank you.”

There was one written comment from A.J. Fewling. “I would have liked to have given public comment this morning from Carson City, but I have an event to attend celebrating the work of another amazing Carson kiddo getting recognized for winning a State contest. I want to heartily thank all the Commissioners this morning for the hard work of the past and continued work focused on improving educational opportunities and outcomes for Nevada's kids. I feel like the last three years was immeasurably helpful in giving a real understanding and credibility to the issue of underfunding of education and what we can do as a community to solve that problem. I believe the outcome of the legislative session given the largest percentage increase in education funding in at least 50 years, maybe ever, is directly correlated to that work. I'm very proud to say I was a part of that and that we were a part of that. However, there is clearly much work to be done and pressure that needs to be applied to continue the growth and sustain the growth to give our kids the level of resources laid out by the Augenblick, Palaich, APA study from 2018, which I believe to my core are necessary for our kids to compete in the ever-changing economy and labor market. This session brought historic investment in education, but it is important to realize much of it was driven by existing revenues having historic gains. If it weren't for enormous increases in revenues generated by Local School Support Tax and other revenue streams already built into the flow into the Education State Fund, none of this would have happened. The increase in the State's General Fund appropriation to the State Education Fund was well below the overall increase to the State General Fund revenue. There were no additional revenue streams considered even after months of laborious work to develop that path for the State by this group. There cannot be growth or sustainability if these new revenue streams do not come to fruition. I urge you all to continue the education of all stakeholders in this matter, the simple fact is we are still not close to being resourced to a level to deal with the needs of our kids and assure Nevada's

economic future is better than average. I know the legislature has placed even more upon this group, which I hope is a sign of trust. They even gave you more funding to work with. Sure, once I left, thanks. I take that as a sign of trust and sign understanding the significance of the work. The next year is critical in setting up the work of the 2025 legislature and after three years of standing shoulder to shoulder with you, I know you are up to the task. Please note that if you feel I can be in service of any way, I am at your disposal. I would be honored to support your charge and your work if I can. Thank you in advance for all you'll be doing. It is not easy, but our kids are worth it. All the best, A.J.”

**3. Welcome and Introductions (*Information and Discussion*)**

Chair Hobbs stated they will be talking about all of the work that's ahead of us and hope to by the end of the meeting today have the opportunity to try to sort through some of those things and see what the best approach would be to meeting the mandate that we've been given by both the previous and the new legislation. Each member introduced themselves, gave a little bit of background and what they hope to accomplish during the course of this go-around with the Commission on School Funding.

**4. Election of Vice Chair to the Commission (*Information, Discussion and Possible Action*)**

Chair Hobbs stated the Vice Chair will be asked to serve a three-year term as prescribed in NRS 387.1246 and opened the discussion before possible motions for the election of a Vice Chair.

**Member Jim McIntosh nominated Joyce Woodhouse. Member Jason Goudie seconded. Motion passed with Chair Hobbs abstaining.**

**5. Appointment to the Commission on Innovation and Excellence (*Information, Discussion and Possible Action*)**

Chair Hobbs stated the appointee would serve a two-year term as prescribed in Senate Bill 425. So once again I would open it for a discussion or motions.

**Member Punam Mathers nominated Joyce Woodhouse. Unidentified Member seconded. Motion passed.**

**6. Rule of Engagement (*Information, Discussion and Possible Action*)**

Chair Hobbs stated when those were originally drafted by Carlene three years ago, there were some concern that there may be differences of opinions about things and consequently they should set some rules for how they work through those sorts of things. He stated this commission is intended to try to improve education in the State of Nevada as a whole and not what's best for one particular district or school or geographical territory.

**7. Open Meeting Law Review (*Information*)**

Greg Ott highlighted sections from updates to the Open Meeting Law from this past legislative session. The quorum definition has been changed, that basically allows counsels with a vacancy to reduce the number of members necessary to have a meeting. The definition of meeting was also revised. It clarified the language to better state that where members of the public body are meeting to discuss things that are not within the jurisdiction of the public body that doesn't need to be noticed. There are also some revisions to administrative action taken against the person and the notices that you would need if you were going to have a disciplinary hearing against a person, that would not apply to this commission. There's some changes to the requirements for public comment during multi-day and virtual meetings. Small changes to posting requirements making sure that things are being posted at the location where the meetings will be held, and an exception, as you know, virtual meetings are allowed, there was an exception put into State Law this time that says that if you're having a contested case, which again is usually a disciplinary meeting regarding a person's license or something to that effect or you're adopting regulations, you need to have a physical location. And then finally there was a clarification that university library and educational foundations do not fall within the OML. Those are specific statutory creations, they had not historically been enforced as part of the OML. This was just clarified again to

explicitly state that they do not.

Chair Hobbs asked, if they need to establish working groups to focus on specific assignments or tasks, if that is what they should be calling them.

Greg Ott stated working groups and subcommittees are used the same way in the open meeting also. What you call them doesn't matter. Citation 241.015 subsection 4d states if the subcommittee or the working group is going to be recommending action for the public body to take, then it's going to need to be Open Meeting Law compliant.

Chair Hobbs asked how it works when they form a working group to develop alternative strategies or something like that, that could be considered by this commission to then recommend.

Greg Ott stated if that working committee is going to be making a recommendation, those are going to be recommendations that are going to need to be Open Meeting Law compliant. If you could say something like we want to get all of the ideas that are going to be eligible for consideration, we'll put those all on an agenda and we'll speak to those at the next meeting, there's no sort of decision-making process going in there. But to the fact that working group is having conversations and making decisions about what goes forward or what would be recommended to the commission, there may be some people who want to observe that process and that's when the Open Meeting Law gets triggered.

Chair Hobbs clarified by asking, if the working group is gathering information as opposed to making a recommendation to the commission, that's a dividing line.

Greg Ott stated yes, subsection D2 says subcommittee or working group is authorized by the public body to make a recommendation to the public body for the public body to take any action. As long as they're not authorized to make any recommendations and have given you the three best options, then you're not going to trigger that subsection of the OML.

## **8. Update and discussion on the 10-year plan to meet optimal funding after a \$2B investment**

Chair Hobbs stated they filed a report nearly a year ago which, among other things, identified funding targets, it would be used to achieve a 10-year funding plan to bring Nevada into a better relationship with the national average of per pupil funding and also that which was recommended by APA. It was a fairly detailed report both in identifying the targets that Chris referred to earlier that the funding targets between what we currently spend and the national average of what we currently spend and APA's number obviously was higher and closer to that which might be construed as optimal. A few things have happened that have changed those calculations and what we've been doing over the last few weeks is having some internal discussions about updating two different parts of that report, the one part that identifies the funding targets, we now have an additional year or more of data from the NCES with regard to State by State per pupil spending.

He stated they will be incorporating that and also have to adjust the Nevada spending per pupil. He stated they haven't had the opportunity to meet and discuss this, but working and discussing with Applied Analysis who supported those efforts in helping prepare some of the material that was used for the report, some of that preliminary modeling is underway at this point. We've been working with them for the past few weeks conceptually. He stated he didn't have the power and authority to engage them to do anything, but has spent time talking to the Department of Education about how we could do that as quickly as possible within the confines of what procurement will allow us to do. He stated it would appear that we could have Applied Analysis continue to work on updating the target values and guessed that they probably can have that done within 60 days, so by our October meeting.

Jason Goudie stated he didn't recall all of the details about how we got from point A to point B, he knows there's inflationary factors, etc., he's trying to understand the average of a point in time. He stated he wanted to bring that up so that they can consider that.

Chair Hobbs stated they fully expect to see exactly what he said and some of the NCES data runs lags quite a bit. We were using 2021 numbers and we should at least have 2022 at this point, but we would expect the fiscal circumstances in the States that we were comparing to be somewhat similar to that. We do have to go through this process of reestablishing these targets and it's interesting that when you read SB543, which is still in force, every time we get together to discuss this, it's for the ensuing 10 years, so two years from now, we'll be talking about the ensuing 10 years and four years from now, we'll be talking about the ensuing 10 years, which is really kind of odd when you think about it. Assuming there would be a legislative session that's going to take place this past year, we did an eight- and 10-year plan. And we'll probably continue to do that. That will be one of the discussions that we'll have to have. That will probably bear more upon how we end up presenting that in the report, because we need to do another report much like we did 10 months ago.

Now the second part of the report was identification of different funding alternatives and scenarios, and as you saw in the report, there were a lot of them, and we ran a lot more of them than ended up in the report, because you can have so many different combinations of elements on the property tax side. We talked about abatements, we talked about depreciation, we talked about assessment ratios, we talked about property tax caps, you know, a number of different things that were going on. Then on the sales tax side, we talked about a litany of different areas of trade that could be looked at as potential candidates for expansion of the sales tax base to make that a higher contributing part of the overall funding mix. That part of it will take a little longer to do. On the property tax side, just to give you a sense of what we went through a little over a year ago. To do anything with property tax and to do with precision requires us to get parcel by parcel data from every County in the State. Now were we able to get parcel by parcel data from every County in the State last time. What we came to find out was that when we started to talk to the various assessors across the State, it was the first time I realized that they were using three or four different platforms to retain this data and some of these platforms did not speak the same language. So then the ability to merge all of those was complex. We'll have to initiate that process again as well. For that part of it since that is not the same as reestablishing the targets, it's work toward our eventual recommendations, we will probably have to go through some kind of procurement process for that element of the work, but we hope to begin that procurement process right away. So by the time we have the targets re-established, that part of the work can also get underway.

Jason Goudie stated he thinks every school district is incredibly grateful for the two billion dollars that was injected into the budget, but as we are identifying funding adequacy moving forward that starting point of where we are going, what amount of that two billion dollars really is going to stay with us and what isn't? I don't know if that's going to be part of the study or not, because I would say that there is a quite a bit of apprehension with every school district about spending all of the two billion dollars that we received, but I think there was an expectation for us to do so in order to move the needle, so to speak. So will there be an assessment of that two billion dollars and how much will we might be able to (Indiscernible) collect from the future legislative session to still exist or not exist? It seems to me that it was anomalous and that may be a lot of it isn't going to be recurring on going and that, when we talk about sufficiency of funding moving forward, that we may actually be starting in a funding deficit in the next biennium, because of the two billion dollars.

Chair Hobbs stated he thinks, on one hand, most of us with our understanding of SB543 would expect that the bar has now been moved up to here. On a going forward basis, assuming that the revenues of the State haven't dropped from where they were previously that they need to maintain that level of funding on a going forward basis, adjusted by inflation and enrollment. That's our understanding. Oftentimes, the legislature oftentimes builds in to maybe not do that, using words like, if practicable, those kinds of things that we read. Would there be ways that that might not materialize? Absolutely. It's the expectation that it would continue to be funded at

that level, particularly if a lot of your investment is occurring on recurring expenses, the expectation absolutely would be, but we're doing this measurement on the targets from the point in time.

Jason Goudie clarified by stated here's the funding level, here's what we need to move forward. At some point in time, we're going to find out what revenue we're actually going to expect with existing resources and it's going to be up to the legislature to figure out how to plug that gap.

Chair Hobbs stated he thinks they all need to amplify the message that they're doing this work, the notion is to move from where we are now to a higher per pupil funding amount that is better in line with national average or APA recommendations not to move back the other way. He stated he didn't know under what set of political realities sort of there being some kind of economic calamity that that could happen, but again, we're all aware of those exceptions that are written into law that allow for a little bit more flexibility than certainty.

Jason Goudie stated the bottom line is, we're identifying the targets, it's up to the legislature to take a look at what we currently have and figure out what changes they need to do in order to get us there.

Dusty Casey asked if they were given resources to help us through our work, we're going to retain Applied Analysis to continue working with us to update these numbers out?

Chair Hobbs stated there's one set of procurement laws and a lot of entities tend to look at them a bit differently by way of their legal counsel and interpretation. Because the recalibration of the targets is an ongoing matter and that Applied Analysis did provide support in helping to calculate those up, we're able to go forward with applied analysis to do that, and I've already had those discussions with Department of Education. With respect to all of the funding scenarios that's different enough to require a different procurement process whether by RFP or sole source. He thinks you could make a pretty strong argument that having compiled all of the data that we previously used to develop those scenarios that they are in a reasonably good position to continue to do that as opposed to somebody else getting a cold and having to restart all of that and the economics associated there with, it would make sense, but I can't presuppose the outcome of a procurement process.

As we get into some of the other discussion later today, we're going to be looking at all of the things that 543 still requires us to do, 400 added to that list, 98 may be even added to that list and have a discussion about how those could potentially be grouped, because we will need subject matter experts' support on a lot of that material as well. A lot of it can probably be done with the resources that we have at NDE and here amongst all of us, but some of it clearly is going to require some additional work and knowing that the procurement process can be a cumbersome process sometimes, we're calling back to a year and a half or two years ago when we were trying to get all of that done to meet the deadline of putting this report together became very apparent to me that we had to take the risk of doing a lot of that work and without the benefit of having a lot of the formalities in place. We don't want to necessarily repeat that and if somebody has already noted, we do have some resources and I want to make sure that we all understand those resources as well.

In 400, there was a million dollars appropriated over the course of the next 18 months, however, (Indiscernible) we want to measure that. And in 98, there was 500,000 appropriated, so those two are additive. So the two of them together 1.5 million which is a very, very reasonable amount and we appreciate that level of support, my gosh, we are going to need that to do everything that we've been asked to do. Now some of that will obviously go to the funding and modulum side of it and some of it will go to the accountability, academic achievements, monitoring teacher retention and the various other tasks that are on the other side and we'll be talking a little bit more about that later today, but I think it's good to have gotten that out there when we do have that support, we have some of the tasks moving along already, because even though this is our first meeting looking at that list at least in my mind, time is of the essence to knock off as many of these things as we can in a quality manner.

Megan Peterson stated he summed it up pretty well and then we will work with purchasing as best we can to try and facilitate these. Like you're saying it, there's so many offices that hopefully you can work through and get these through as quickly as possible without delay.

Dusty Casey stated they put of stock in that APA study and member Goudie mentioned that what the average is, and those are obviously going to shift quite a bit with all the money States and other States are throwing into education. That APA study being the best practices sort of study, I'm curious as we move through this process how comfortable we're going to feel relying on that, just updating those numbers or actually updating a see what best practices have been updated as well, because the averages can be kind of manipulated just by all the money going into the pot. So I'm curious as we go through this process looking back as we get some time from that study just trying to update those numbers feels tough to do, based on what the study was.

Chair Hobbs stated the APA, what we did the last time and what I think we would do at least initially this time is take what their recommendations were in 2018 and then we inflated those forward obviously right over that 10-year period. We could do the same thing, it may be worth checking in with APA to see if there are viewpoints about any of the elements that comprise that that total have necessarily changed, but those were specific to Nevada in terms of them being recommendations. Now, I will say that and all of you folks know this, that work with numbers and projections and things like that, inflating in the environment that we've been in over the past couple of years isn't quite the same as, you know, what we refer to as the good old days, you know, when you can use the compound annual growth rate and feel pretty good about life, we've had some anomalies. And we'll obviously have to take that into consideration and I would expect as a part of the work product, that, that will be disclosed to us, here are the assumptions that were made, if we want to see a different set of assumptions, it's a very simple thing to do to adjust inflationary assumptions in the model and we can do that.

Jason Goudie stated the state has engaged a number of studies over time, APA being selected a few times. I don't know what the intentions are of the State, but in the past, every four, six, eight whatever it was years, they did exactly what you're looking for. To say let's bring somebody back in to go through the model to create this optimal model of how things can work and then I don't know what the intention of the State are, but I would hope that would continue in the future, because it was as of 2018 it last changed, I don't know how much has changed in their methodology yet, but hopefully that would help as it goes down the road and then when we're meeting again in four years, maybe they're coming back and they're doing that study to help justify where we're going.

Paul Johnson stated the original study from APA was rooted in 2006 and a lot of instructional practices and things have happened and changed since 2006, so the professional judgment from the professionals that existed at the time, which is what this adequacy study was based on has changed. I think at some point, we would want to have to refresh of that. Right now, we're trying to triangulate an amount of money for adequacy in my opinion and we have pretty good benchmarks. The study that currently exists and a reasonable estimate of what that adequacy target would be and the national average, which is the other target that we've taken a look at, those are real things the legislators can take a look at and we can quantify and say look here's some targets to take a look at, but as we progress toward optimal, a refresh of that study to identify, first of all what optimal means and is, so that we can quantify that, come up with a target, because that is part of our charter. I think that's a phase down the road, but right now we have some pretty, I think, reasonable figures for us to take a look at and quantify and establish policies in order to try to get to.

Chair Hobbs added there was a third metric that we used too and that came from NAS. We're not just married to those two, but I think that we were trying to think about this tactically and strategically with regard to the national average and then something that was more specific to Nevada in the form of APA to sort of develop a target range given how far we were from that range to begin with. As we develop, as we recalibrate these

targets, we could certainly have discussion as to whether or not that's the way we want to present them in the recommendations or use them in terms of sizing any of the funding recommendations that we make, but at least that part of it is getting underway. Fortunately, we have all of the modeling that we did before and we're up the learning curve a bit on that side of it. Same can be said for a lot of the new things that we've been given to do. My hope is that you'll see some of that very, very soon and the rest of it will be in development as we chase a lot of that data down and position ourselves to be able to update the property tax, sales tax and any other sources of revenue that may arise in the coming months to either supplement or and to what our likely recommendations are going to be.

#### **9. Nevada Department of Education (NDE) Update (*Information*)**

Chair Hobbs stated they will receive a recap of changes to the Pupil-Centered Funding Plan resulting from actions taken during the 82nd legislative session as well as a review of the outcome of the Commission's prior recommendations.

Beau Bennett stated he will cover the legislative changes that affect the Commission on School Funding. He explained the meeting requirements. He gave a quick review of the Commission duties that were set forth in SB543. He went over the academic progress review. To do that, they ask the commission to review achievement metrics or four different buckets of metrics. He gave an overview of the achievement metrics, improvement metrics, hiring and retaining staff metrics and expectation metrics.

David Jensen asked if number 5 under hiring and retaining staff include long-term substitutes.

Beau Bennett stated any substitute, the way it is written, didn't specify any of that. With these metrics, the Commission will identify the progress made by each school, school district, and charter school on improving the literacy of pupils and they will review considered strategies for improving the accessibility of the existing and new programs for pupils within and between public schools including without limitations, open zoning.

Chair Hobbs asked if item number 11 on the agenda intended to cover in part the data that is already collected by NDE.

Beau Bennett stated yes.

Megan Peterson stated it goes in more in depth of the current accountability framework that the department uses, so that you should have an overview of the information we currently have in comparison to what is going to be requested. One thing to keep in mind about some of these differences is, generally a lot of the information is collected at the district level and it appears the intention here is at the school level, so we do, we may have to go another layer deeper as we go through this.

Beau Bennett stated after the review, the Commission shall make any recommendations for strategies to increase the efficiency, transparency and accountability of public schools and make recommendations to the department, school districts, and charter schools to improve reporting, tracking, monitoring, analyzing and dissemination of data relating to pupil achievement and financial accountability including any revisions to the metrics previously identified. Each school district and each charter school also to submit, a chart, a quarterly report to the Commission that identifies how funding from the Pupil-Centered Funding Plan is being used to improve academic performance and progress and it shall include all the data and metrics collected to demonstrate such improvements.

Chair Hobbs asked if there was a template for the form of the quarterly report that is to be submitted to the Commission.



Beau Bennett stated not yet. Until the Commission creates one, it's not going to be here. That is part of the duties mentioned here. So once that you review the report submitted by each district and charter school, you will submit the quarterly reports along with any core commentary or recommendations relating to the reports to the Governor, the Director of the LCB, The Joint Interim Standing Committee on Education and the Interim Finance Committee. He went over the new commission duties and appropriation. In addition, we have received a Nevada Legislature Letter of Intent. He gave an overview of the letter of intent. Letter of Intent due date to get the feedback for the Letter of Intent shall be filed no later than August 1, 2024.

Now these next legislative changes don't affect the Commission directly, but we wanted to make everyone aware, because they do involve some of your work. He went over the date change in the NRS 387.12468 report, auxiliary service funding for charter schools, Cities and Counties that may now apply to sponsor charters, Large District Ending Fund Balance, and temporary advances from the State General Fund from the Director of the Office of Finance.

Unidentified Speaker asked if there was any conversation about what may be a misalignment between the data points required and the reporting calendar in the hearings on SB400. He stated when he sees the survey the number of kids who graduated aren't going to change every quarter and so it feels very challenging for school districts to provide a lot of this data quarterly when the date of the metrics don't change that much.

Beau Bennett stated it was not discussed to his knowledge during the hearings but when we're building the template and when the Department is working with the public schools and the districts to set these reports, that's something we'll have to consider to try to make it as efficient as possible for them to fill out, maybe just have areas where it does change and keep the other ones consistent and just have them updated every quarter instead of redoing every quarterly report.

Megan Peterson stated that is also something that is within the privy of the Commission to make a recommendation for changes going forward.

Jason Goudie stated he interpreted it to mean as we set up the template for reporting, not every item within the template would be quarterly. There may be some that are annual, the surveys, some of that may be semi-annual and pieces like that.

James Kirkpatrick went over some of the legislative changes that may impact the Pupil-Centered Funding Plan itself, the education stabilization account and then the fund balance situations. Changes to Revenue, changes to net proceeds to minerals, changes to inflation, rate of inflation, change to address SB 503 Section 16, legislative changes to ending fund balance, and legislative changes to the education stabilization account. (*9d Legislative\_Changes\_FINAL\_ADA.pdf available for details*)

Paul Johnson asked about slide 32, which had the definition of at-risk and the very first definition was economically disadvantaged. He stated they had a huge discussion a year or so ago about what data point were going to use to measure that and decided free reduced lunch was out, because of the eligibility requirements. He asked what they are using now for that measure.

James Kirkpatrick stated based on the definition and the recommendations of the Commission, the accounts are determined through the 75 different factors that go into that, which includes FRL, but it also includes location, ZIP code. There's a lot of different economic influences in to that determination built within those 75 factors.

Paul Johnson asked if the free reduced lunch is still part of that.

James Kirkpatrick stated it is a one of the 75 factor of checks.

Chair Hobbs asked if they could go back to slide 16 in regards to the quarterly report that they're supposed to receive. He thinks this is one of the things they can begin to have some discussion about each of those areas that Beau went over, at the end of all of the metrics that were required and anything else that the Commission may feel would add to this. He asked the reports will be due. The third bullet and the format of these reports, because them coming to us, it would be great if they were all in a similar format.

Paul Johnson stated he thinks that changing and aligning benchmarks and data to reflect performance from the investments in dollars is maybe a bigger task than changing the funding formula, honestly, because right now, we have like a five-star metric based on very limited scopes of what is involved in education to determine the performance for schools. He knows there's been a lot of talk about AC accountability that the Superintendents have had with the Department of Education to identify a completely different way of tracking school performance and thinks it is probably in their best interest to get up to speed on that and to have some presentations here for our Commission, so that we can kind of understand what student data is available that we might be able to better tie to dollars. He thinks everybody is expecting them to be able to measure the impact of our financial investment in education to how that has moved education and I'm not certain that I comprehend all of the student data that's available that we can extract and maybe tie to dollars that might be able to provide that information to decision makers.

Chair Hobbs he asked if the slides that preceded this are things that are prescribed by the bills that need to be reported.

Paul Johnson stated that was right.

Chair Hobbs stated that reporting needs to be done but those are the quarterly reports that are submitted to this Commission. He thinks it's incumbent upon them to get this part of it resolved as soon as we possibly can. Clearly, we won't be able to act on it until the next meeting, but I think we should be prepared to do that. He asked if that was an achievable task.

Paul Johnson stated this is a function of a working group you might have to put together.

Jason Goudie stated he thinks they may have to tackle the metrics, ROI maybe separately to kind of set up the metrics. We have the base metrics. It would be good to have somebody come provide what those benefits are. He stated until we do that piece and understand what all those metrics are and how much it's going to take from each of the districts, he didn't think that they can establish dates, yet I think that we have to establish what we're going to do and then get feedback from the districts.

Jason Goudie stated he thought they really have to go down that path first before they can get to the dates and then go back to the at least his district's experts for additional metrics that would be useful before he would be willing or be able to provide any input there.

Jim McIntosh stated this is likely a working group. We already have the list of metrics here. We may expand on these metrics and that may come out of this working group and we could certainly speak to the instructional leaders in your school districts and determine what other metrics might make sense. He asked if these are the ones that they are expected to do. These are easily quantifiable. He asked if there was a sense of when this first quarterly report was meant to be due or we're determining the dates of when these quarterly reports will be due.

Chair Hobbs stated if there was an expectation of what that date is, he didn't know it. He thinks this whole thing is intended to begin to provide a uniform collection of data over time that then could be used to draw conclusions from. It would be absurd to believe that if the first quarterly report would be due in January given

where we are in the year, then we would be able to draw any meaningful inference from the first quarterly report or the second quarterly report, it's going to take some amount of time, but you have to establish the data collection at some point.

Jim McIntosh stated it seems much of this information would be readily available. Clark is doing an annual regular survey. He thinks they could certainly put this in a format and start figuring out how to begin to pull this data together. The first two quarters are not going to tell us a whole lot, it's a matter of just determining what the process is for collecting this and determine if there's going to be gaps in terms of our ability to get some of this information from other school districts. He thinks that would be their first step before they even begin to start talking about other metrics you might consider including in here.

Jason Goudie stated if they're going to measure metrics and ultimately going to apply some sort of ROI, they can figure out these metrics and look what they did over time, divide that by dollars invested and come up with some sort of ROI. In order to do that, you have to have a baseline date and the baseline date has to be prior to the implementation of the Pupil-Centered Funding Plan or at least prior to the infusion of the significant amount of cash.

Dusty Casey stated it does say in slide 6 since the implementation of the Pupil-Centered Funding Plan, and asked if they just picked that, which was two years ago, and then they start gathering data based on their metrics from there.

Chair Hobbs asked if they were talking about going back and replicating quarterly reports from that date forward.

Jason Goudie recommended going back to whatever the data was and have districts provide the required data. He guessed surveys may not be available, the baseline academic data, which most of that information is probably available in the districts and go back a couple years, not then create quarterly reports after that, but simply to create that as the baseline and then you just layer on quarters. At least you have a baseline, MAP growth scores of 37% or whatever it is as of that time. It meets this objective and isn't overly burdensome for districts.

Jim McIntosh asked if it would make sense to measure the first quarter to begin measuring.

Mark Mathers stated it's going to take some time. He stated he is looking at the spreadsheet that goes into each of the metrics and what's collected currently by NDE and what's not and although there are a lot of metrics already apparently collected by NDE, he didn't know if it's at the school level, which many of these metrics talk about, not at the school district level, at the school level. There also are a lot of metrics that aren't collected by NDE like retention rate for teachers, how that's to be calculated over what period. He thinks some things need to be defined. He stated in a district that has a behind the times ERP System, currently he didn't know that they were going to be able to go back in time or even going forward how easy it is to collect some of these metrics readily obtainable, the attendance rate for teachers, although that should be in an ERPs, in our Human Resources System. Some of us don't have great HR Systems to be able to just run a report to do that, so that's one concern. We just finalized our final amended budgets in late June, we haven't made all the decisions yet about how to allocate money. We're hiring teachers, that's the bigger priority than reporting. We need to get up and running and make decisions about the weighted funding and all those things and we're using at least the first semester to even make decisions, let alone begin implementation. He felt like he wouldn't want to try to jam down this reporting during this crucial period of time, you're just not going to get the attention on it, because we're operationalizing the moneys we got in the Pupil-Centered Funding Plan. He stated he just wants them to be sensitive to some of those issues, a) can we define some of these metrics better, b) then can we assess whether we can actually extract it from our systems, and then c) can we implement this in a timeframe that

acknowledges. We're doing a lot of work right now to implement the Pupil-Centered Funding Plan that actually affects kids and so is just really hesitant to launch this too early. He didn't know if they're going to get the data and if they're going to get the attention of anyone in our district right now unfortunately, because we're so busy making really important decisions about how to use the funding still.

Jim McIntosh stated he didn't know that they have an option, this is statute. His recommendation would be to begin to move this forward and begin gathering what we can. He thinks there ought to be a working group and would suggest member Johnson lead that working group. He thinks they need to begin to have some discussion on this, but figure out where the gaps are and where the questions are, there are concerns about definitions like what do we mean by retention.

Chair Hobbs stated those things are in the statute they must do those, and to the extent that there's any definitions that need to be applied to them, they could look into you guys to help go through those and interpret what they mean exactly instead of that being a working group and then circulate that with those that are required to put those reports together. Questions like we can't measure it that way or shouldn't we do it the different way, that could be part of the interactive process of defining those things that are already clearly there. We can undertake that part of it and get going on that pace rather quickly. That bold wording at the tail end of each one and any other data that might provide some benefit would be the next step. The Commission should be considering adding to that those reporting requirements, that's a working group type of item for discussion. We have this opportunity to begin to create a time series of data and the hope is that it's not just an exercise that causes you all more work, but provides benefit as we begin to look to things like staring to see some trending here that we might be able to associate with additional investment that's been made in education, much to the point that you were raising. At some point, you have to begin to develop that time series of data. So if we are putting a working group to help flesh out be and anything else part of it, who else would like to be a part of that working group with Paul?

Nancy Bruner stated she would join.

Kyle Rodriguez stated sure.

Chair Hobbs stated he then would like to double check as we do this, because these are not recommendations, they're items for possible consideration that this entire Commission would then have to say, yeah, we agree with that. He believes that can be just something that can happen by way of conversation among those members, because it eventually comes back here, not in the form of a recommendation, but in the form of additional thoughts.

Greg Ott stated his concern about this is the discretion or discussion that might lead to the omission of some ideas and the forwarding of others, so maybe you could assuage my fears by helping me understand how the group will function to just simply collect all of the options and put them in front of the Commission instead of sort of picking some and rejecting others.

Chair Hobbs thinks that's probably the objective. It's not deliberation. If there are items that could add to the value of a time series type of statistical review, that's it. It's creating a list that comes back to this Commission that the Commission may or may not agree with any element that's on that list.

Greg Ott stated with that clarification, he was okay.

Chair Hobbs asked Paul if that is something he had in his estimation they might be able to have additional discussion about next month.

Paul Johnson stated they can have additional discussion about it next month. When we're actually discussing the content, he would rely actually pretty heavily on NDE because they're the data collection folks for all the school districts. I know we provide them, but they have all 17 school districts, so I think we can certainly have something to put before the Commission.

Chair Hobbs stated if we have that part of it, then that begins to define all of the data that would be in these reports which would then allow a template to be created. And then based on the workload associated with all of that, a time for the beginning of those quarterly reports could also be a part of that discussion.

Paul Johnson stated they need to know what it is they're extracting to find out what is available before they decide when the due dates are for the information.

Chair Hobbs stated he wasn't trying to get the due dates out in front of anything, but thinks that helps to find the due dates.

Megan Peterson added some additional information within AB 400 . We're currently working on guidance to send out, but one of the additional components as part of this quarterly report is any additional information that school districts individually collect to track their progress. She thinks that that could be one of the things that the working group could come together and say here's what we have as part of an information collecting activity.

Chair Hobbs stated they were not acting on anything here, just concurring if that's a good approach to take and then hopefully at our next meeting we can add additional definition to this piece of it. He stated they talked about the funding element before, mathematically we can do all of that. He thinks they all recognize that a continuation of the level of investment that we were fortunate enough to see at the last legislative session on a going forward basis is heavily dependent upon the whole accountability and return on investment part of it to provide that added comfort and confidence on the part of the elected decision makers and this is a fundamental piece of that. He thinks it gets them moving in that direction.

#### **10. Pupil-Centered Funding Plan (PCFP) Review of model updates made during the 82nd Legislative Session (*Information*)**

James Kirkpatrick gave an overview of the model updates on revenues, auxiliary services and special education, statewide base and adjusted base.

Unidentified Speaker stated they have 17 districts and asked how many of the three still remaining are school districts versus university.

James Kirkpatrick stated all of those three is. We have the 17 districts, we have the charter schools combined as an entity and we have the universities. We have 19 entities.

James Kirkpatrick gave an overview of weight for English learners, weights for at-risk, weights for gifted and talented and total allocations. (*10 CSF\_FY 24\_25\_PCFP\_Model\_FINAL\_ADA.pdf available for details*)

Paul Johnson stated if a student qualifies in three different categories, we take the highest one. He asked, if it's English Learners or Special Ed who are funded at a higher rate than the school district, who would get special education funding.

James Kirkpatrick stated for that student.

Paul Johnson stated the measurable outcomes that we would have through a funding model would not reflect

any of the English Learner component of that, because the money would go into Special Education and be reflected as Special Education dollars, not English Learner knowledge.

James Kirkpatrick stated he would assume so.

Mark Mathers stated for Special Ed, you say it's the highest weight even though it's not defined as a weight anymore, so you're taking the average Special Ed expenditures divided by the total number of Special Ed students to come up with a basically a weight.

James Kirkpatrick stated that would be no.

Mark Mathers stated it sounds like you said any student who is Special Ed and then another weight won't get funding for that other weight, because there's just been kind of almost assumption the Special Ed funding is the highest weight. He asked how that is based on what we spend and then divide it by the number of Special Ed students to derive a kind of a (Indiscernible) way.

Megan Peterson walked through the way the State Special Education formula works. I don't know that it may necessarily address the specific question about every individual child, but currently the State's special education methodology stems from when we started this allocation back in 2017 after we transitioned away from a teacher unit allocation. The State has chosen to maintain each school district's maintenance of effort requirement at the State level and so if the new students that are coming in are paid at the weighted value and we attempt to maintain that weighted value as much as possible at a 0.55 weight. Once you have your maintenance of effort threshold funding that we allocate for every school district apply a 95% adjustment to it to apply the 2% inflation on top of that and then any new students that are coming in are paid at the multiplier weight, multiplier or weighted amount of the statewide base, so 0.55 of that amount and new students who come in are paid (Indiscernible) per pupil amount and then any additional dollars that are available are applied to an equity adjustment to bring anyone who's below that multiplier historically, and until this year, we have not been funded at a rate that we've had sufficient funds to even pay out at the per pupil rate for new students. This year, we are applying them on a per pupil rate for every new student, for those only who are below.

Mark Mathers asked if she was saying the de facto weight for Sp Ed is 0.55.

Megan Peterson stated yes.

Dusty Casey asked if the student is both special education and ELL, even those Sp Ed is outside the waterfall, if they will not be counted in here.

Megan Peterson stated that was correct.

Dusty Casey asked what does the enrollment was duplicated for the total population mean.

James Kirkpatrick stated the duplicate on slide 6, the total allocation for the adjusted base, that includes all students regardless of any (Indiscernible).

Dusty Casey stated just total student number.

James Kirkpatrick stated yes.

Unidentified Speaker was interested to see that enrollment is actually projected to drop a good amount here statewide. If we actually saw enrollment increase, the district that has these kids is going to get the per pupil

rate times those number of additional students, because there were more students that actually showed up; if revenues weren't sufficient to cover those costs either because revenues fell short of budgeted numbers or enrollment was higher or for whatever reason, would the state reduce then the per pupil number mid-year that goes to districts and then be able to backfill that reduction number through the education stabilization account.

James Kirkpatrick stated with all of the changes in several of the bills that we discussed in the prior agenda item, the Department was given a greater deal of flexibility in times when enrollment or something increases and that causes a deficiency in the Pupil-Centered Funding Plan, we can request a transfer from Education Stabilization Account to fund that. In the same instances if enrollment stayed the same and revenue dropped significantly, we can make the same request to backfill the Pupil-Centered Funding Plan from the Stabilization Account.

Unidentified Speaker stated no longer would you have to make a reduction to the per pupil amount and then districts requests funding through IFC, which I think was (Indiscernible) the prior statutory language, now you're able to immediately just access the Education Stabilization Account to backfill any shortfall.

James Kirkpatrick believes the process is award program, it's a state process, it would still have to go through IFC. It's a request. I would be initiating it through the IFC, they would review it, if they had questions, we would go to the table, defend it.

He stated he would like to identify as a note the student counts for at-risk. There was a considerable larger number that was because in 2022 and '23, we were still using the free and reduced-price lunch definition to determine at-risk. In 24-25, we have transitioned to the new definition that was identified in the prior agenda item. And the last slide I have to share you, this is the gifted and talented funding. Again, as the other weights, the counts are unduplicated and the slide shows the changes from 23-24 and '25.

Paul Johnson stated in 2023, free and reduced lunch was the metric for (Indiscernible) and then we went to 2024 where we would say for the campus and we used free and reduced launch and 74 other factors and the number went down by a third or fourth or three-fourths that has just never made sense to me. He stated he would really love to understand how that metric produces numbers through our system to see (Indiscernible) usually the number should be bigger not smaller.

Mark Mathers stated they had that discussion a year ago and the reason why it went down was there was just the lowest 20% or quintile used. From my advantage point, that was somewhat plucked out of the air. We questioned statistically why wouldn't we use standard deviations or some other approach to kind of get to maybe a more equitable number, but that's the reason. He stated he was concerned that that doesn't totally make sense but we had to move on and above.

Megan Peterson stated it's important to remember and step back, because when you look at the FRL from that time period, that was also associated with the pandemic and it's important to also remember that when a school reaches a 40% threshold, every student at school has been identified as free and reduced price lunch and so we therefore really had this over identification of students and we're looking at almost 50% of the State there. And so when you then look at the Grad Score and the at-risk definition there, we're really comparing that more to what we had under the SB 178 definition in consuming victory and then we correlate those to the statewide graduation rate, you're looking at that 20% and you've got more apples to apples comparison of the students who are not really achieving with their peers and so when you take all of those pieces into consideration and look at that drastic change, it actually still puts us really back in alignment with where we were originally targeting the funds and so going from one to the other back to the other, it seems like a huge swing, but when you take all of those factors into account, it still puts us back in alignment with the original intent of those dollars before we had the Pupil-Centered Funding Plan.

Dusty Casey asked if a district or charter school, if Sp Ed is not the highest weight, are they getting the highest weight.

Megan Peterson stated every student does.

James Kirkpatrick stated if any student does not qualify with an IEP, but they're GATE and EL, they would receive the EL. Every student is identified and counted based on the way the multipliers -- to receive whatever they are eligible for in the highest rate.

Paul Johnson stated the only reason he brings that up is because Special Education has always been generally the highest weight but in this model for like Charters, EL is highest weight. He asked if they are getting the EL weight, because on this side it shows EL weight of 4000 and Charter is only get 3,700 for Sp Ed.

James Kirkpatrick stated the Special Ed is above the 0.45.

Unidentified Speaker stated we are looking at the weight not the dollar amount.

James Kirkpatrick stated that was correct.

#### **11. Department Accountability Framework Overview (*Information*)**

Peter Zutz gave an overview of what the Nevada School Performance Framework (NSPF) is and what it does, why they have it, how ESSA supports the state goals, components of an accountability system, the purpose of the NSPF, the star rating system and what that does, NSPF timeline, stakeholder engagement process,

He gave an overview of the school classification process; elementary school performance framework, elementary school indicator and measure weights, middle school performance framework, middle school indicator and measure weights, high school performance framework and high school indicator and measure weights.

Ahe then gave an overview of elementary school academic achievement indicator, middle school growth indicator, high school college and career readiness (CCR) indicator, calculating stars, policy descriptors for elementary and middle schools, policy descriptors for high schools, NSPF high school report, and NSPF elementary and middle school report. (*11 NSPF\_CommissionOnSchoolFunding\_FINAL\_ADA.pdf available for details*)

Chair Hobbs asked if these are a point in time for an academic year.

Peter Zutz stated September 15 every year, the Department releases all school star rating reports on framework site. All of the data that you will see used to rate schools September 15, 2023, it's from school year 22-23.

Chair Hobbs asked if there is anything that compares them then over time.

Peter Zutz stated longitudinally, we don't, so this will be the third year we've rated three schools under the current framework. We would welcome the opportunity to longitudinally view performance over time and the challenges there is making sure the NSPF stays consistent or relatively consistent over time, so the scores are comparable.

Mark Mathers asked how much of the rating is relative, i.e., grading on a curve versus like a proficiency. 90% of the students who are proficient, they're going to get top score. It seems like maybe some of this is grading on



the curve, but most of it is not. He asked with the additional dollar school districts raised over time, the performance of all schools, if they are going to see the same percentage of one, two, three, four, five schools. If it was totally rated on a curve, you could actually see a progression in the number of schools that moved up from one to two or one to three and so forth.

Peter Zutz stated that is absolutely correct.

Mark Mathers stated there is some component that seems to be presenting another percentile.

Peter Zutz stated the input to the measures, so take academic achievement for example, these are assessment scores, results. We are required annually to report proficiency to the Federal Government, proficiency only. For example, on the 3A (Indiscernible) English language, arts, and Mathematics assessment. There's four achievement levels, only two of those achievement levels, levels three and four are proficient. And we have to report that number proficient to the Feds. We use the number proficient in the calculations for the NSPF and the reason I gave that rather long answer to your question is that that is not curved.

Mark Mathers asked about growth.

Peter Zutz stated no, growth is not curved. The reason is the point attribution table. When we saw the 30 or the 35% for growth in Elementary and then we saw these different point earning categories all the way up, those have no curve, because they're equal to or greater than and that's it, and so you're either in one or the other.

Punam Mather stated the star system is something that has gained attraction with the public and so it's one of the few things that we've done where it seems user friendly. She asked if there was a way when, as a parent, she could have a comparable set of colorful, easy to understand metrics and measures on her own child as a member of that school.

Peter Zutz stated they are required as the State Education Agency both to comply with Federal and State law to annually report school performance. I can't speak to individual District recording. I know some Districts have extensive reporting systems. He stated was unable to answer specific District question on that.

David Jensen stated in a lot of aspects, we are doing this where we're sitting down presenting, if I can use like MAP data as an example, where we're showing from Fall to Spring assessment and growth over time. I stated especially in the elementary schools, we do this because it's essential for parents to understand where their students are at any given time.

Punam Mather stated one of our primary intents at the very outset and a design principle that we adhere to is that resources follow the student and therefore over time as we meet the students where they are and provide what they need, we should see their Improvement. There's only a few things that the public finds useful in terms of all the massive amounts of data and reporting that we do as education establishment and the star system has been one that I think has gained traction. She asked if there was interplay or relevance for us as a Commission going forward, to expand the things that are currently working to make them more robust and more useful going forward.

Paul Johnson stated that's the whole purpose, not necessarily change the former framework but add measures to the existing framework so that it has a more meaningful holistic measure of the portrayal of a learner. The work group is going to be taking a look at those types of things in order to add some value to that. I don't know that I would want to use this star rating method down to the student level, because I would not want to be labeled a one-star child, and there are other performance matrices such as ranking relative to other students. There are other measures that parents receive the reports that kind of tells parents how their students are doing relative to

their peers, but not in this rating method.

Chair Hobbs stated the report format looks great, very much like a morning star type of report, simple to understand. He asked what reception has been of the legislators to those reports.

Joyce Woodhouse stated she does not believe that they're given to them. If any one of them asked, for example, the Department of Ed, they would certainly make that available, but none of the legislators that I work with have ever talked about this with me.

Chair Hobbs asked if they are aware.

Joyce Woodhouse stated some of the educators would be, but that's probably it, and I doubt if the others do. Everybody knows about that there is a star rating, but they don't know the intricacies of what Peter went through.

Punam Mather stated realtors will trump at the number of five-star schools as they're promoting the house or the real estate that they're selling and so it is a bit like the national rankings. People have no clue what the intricacies of the ranking are, but it's done with such a consistency and a simplicity that it sticks in the psyche. In Nevada we just don't have those kinds of easy to understand alternatives to the national rankings. Therefore the national rankings continue to be the thing that that sort of define public perception about education. She stated we go, just be mindful that we can create simple things that expand existing practices whether they're best or emerging best practices in Nevada that may be (Indiscernible). It's hard to make sense but as we come up with dashboards, the propensity sometimes is to say well until we invent our own it won't be a meaningful dashboard. She suggested a way that we can link up to things that are currently working even to some extent, that might be better than coming up with different stuff.

Chair Hobbs stated that's one of the questions, if we have an existing method for providing this kind of assessment, where does it fit into the overall framework of the accountability and return on investment and everything else. It would seem like it should be a component part of that and it's great that something already exists. We have a number of other things that have been asked of us around those same areas and sometimes you can throw so many different things at people that they get a little bit overwhelmed with it too, it would be nice if there's something that could pull them together in this kind of simple form, which I think is an idealistic way of looking at it.

**12. Determine the Scope of Services of AB400 for two studies: accountability and next generation funding. Discussion regarding contracts / Request for Proposal (RFP) and development of working groups in support of studies. (Information and Discussion)**

Chair Hobbs stated he wasn't quite sure how to decide on these general items, but explained what the intent is. It's much like the discussion we had earlier about the reporting and making some determinations about how to proceed, and I think that it's pretty easy to take all of those different things that Beau showed us earlier that we continue to be required to do by way of SB 543 and more recently by 498. It seems like there's two big buckets of things to do; one of them is on the funding side and we've already talked a little bit about how we're proceeding with doing some of that work. So that is already moving along and obviously we'll come back to you a number of different times in a number of different forms. I'm not terribly worried about that right now because we already know how to proceed with that. One of the other items that was on my list that kind of fits into that same bucket is from SB 98. We're asked to make recommendations that would enable small school districts to acquire capital, which we had some discussion and some real grasp this last time to do. That's a funding and financing related item and I would associate it with the funding side of things. That's easy to undertake as a part of that. The other big bucket is everything else. It's the accountability, return on investments, student achievements, on and on, teacher attraction and retention, a multitude of things. And this

item was really intended to take that second bucket of everything else and talk about it a little bit to see if there are ways that some of those items could be grouped together as related to one another and how many of those kinds of groupings we might have. The motivation there is to be able to put together a scope of services in the areas where we believe we will need support from subject matter experts, so we can get that part of that moving as well. He asked if that made sense.

All members agreed.

Chair Hobbs stated he wasn't quite sure what the best way is to proceed with this, because I didn't share this list with you, but it's very similar to what Beau put up earlier and I can talk about some of them. Again, I wasn't quite sure how to create a visual aid for this one, but we have the review of academic progress made by (Indiscernible) Beach Public School since the implementation of the PCFP, which we've already talked about. Now we have that quarterly reporting that sort of supports all of that. And a review of the metrics that are laid out in law and we're always asked to make recommendations in accordance with all of that and that included measures of academic achievement including literacy, ability to hire and retain staff, efficacy, efficiency, transparency and accountability of public schools reporting, tracking, monitoring, and analyzing and disseminating data whether needs and expectations of pupils are being met and improve the accessibility of existing and new programs within and between public schools. Those were all things that were under that and I believe this is where I need your help, that's all information that will be gathered and tracked by the (Indiscernible) reporting. He asked if he was correct in saying that.

David Jensen stated they would assume so, until we get into it.

Chair Hobbs stated that with all of your working group, we're moving in the direction of making sure that all of that is complete and we'll get a template and timing of the reporting and then the work that will need to be done in relation to that would be the inferential work, what do we do with that data, right, as we continue to get it over time, and that's isn't something we have to tackle right now. Once we have a template and a timeframe for collecting it, I think the rest of that will start to become a little bit more evident to us. We were also asked to study the number of teachers graduating from institutions of higher education, review classification and compensation of teachers and support personnel and whether compensation is an impediment to attracting and retaining staff. It's one of the things that we're asked to do. Accountability and recommendations for performance metrics to assess effectiveness of the additional investment in education, which I think is an outgrowth of what we talked about earlier relative to the reporting and what is done with the reporting. And then another one, review of laws relating to sales and property tax and the use of these mechanisms to fully fund education. I would put that back in the first bucket. Because obviously what we'll be doing is making some recommendations along those lines. That one I think we're covered on. He asked where do we need and how do we best apply the use of subject matter experts in satisfying all of these different mandates that we've been given.

Paul Johnson stated one of the things on there that I think is going to require an external independent assessment is the information with respect to the wages and whether or not it affects teachers recruitment, retention, and stuff like that, because that can't be done internally. And the graduation rate for teachers and stuff like that, I think that is something that has to come from an outside entity that we would probably have to contract for.

Chair Hobbs stated there were two bullets that dealt with that; one was the number of teachers graduating (Indiscernible) whether or not that is in accordance with the (Indiscernible) and the classification and compensation and how that affects attracting and retaining. He asked if those two can be maybe put together.

David Jensen stated there's been a recent study and I've cited it quite a bit that indicated that educators, we're

talking Bachelor's in Education versus any other Bachelor's degree make 23% less. So there's already some research that supports this notion. Now there's different things that we can factor in 9 month versus 12 month, you know, which certainly would have a factor into that and certainly with all of the additional influx of money that is changing compensation is going to change that from 23% probably to something less. I think we need to contract somebody to look at it, but there's already some research that can be pulled and that'll help expedite that.

Chair Hobbs stated to the extent that anybody that's doing this work can pull on any existing work in this areas, that is always a great first place to start and then obviously some of it will be Nevada specific as well.

Joyce Woodhouse stated when Ben Kieckhefer and I were working on the two billings and we brought in the Superintendent as well, it was our intent to make sure with this amount of money, the 1.5 million, we weren't looking at just one entity being an outside agency that the Commission has the authority to; however, we need to split it up based upon what kind of the (Indiscernible). Certainly, we know we need the additional support going forward on the funding part, the accountability we looked at that being one that if it turns out that we need to break it apart. I think that's possible and Superintendent need either is not a yes, but that was our intent as we were going forward that, because at the time, it was a group of people just put together a list of what needed to go under accountability, but that's as far as it went. We just wanted to make sure that we put enough funding in there to do the job for the Commission and that's all.

Chair Hobbs stated that it is so appreciated. Thank you for all of the work that you did on that. If we use that as an example, what we need to be working toward is developing a scope of services that deal with the all of those issues related to teachers and support staff. So instead of making greave nervous on a suggest something. Those of you that have thoughts on what that scope of service is given, what the requirement is in statute, what the scope of services should entail, if you can bring it to the next meeting, we can have an open discussion about the scope of services and hopefully land on a scope of services for that element.

David Jensen thinks they need to certainly tread with caution, because even though compensation is a factor, clearly compensation is not the only factor when people are not choosing education. So there's the expectations, their students' behavior. The list is more expansive than just compensation and I don't know that some of the pieces that we're hearing or I'm hearing as a Superintendent as a barrier are necessarily tangible (Indiscernible).

Chair Hobbs stated he knows how these things end up being divided into legislation and I read things those like classification and compensation and I think about doing some kind of macro class and (Indiscernible). That's really what we're intended to do. I do think we have a certain latitude to add to this if it achieves what we believe the objective really is.

Punam Mather stated as she looked at the list of to-do's that came out of the legislature, it was a lengthy list, but not a complete list. If I look at it another way and say for us, as a group of 11, with the Pupil-Centered Funding Formula as our primary focus, what do we need to know or what would be important information for us to have. Given that 85 or 90 cents of every dollar that we put into public education is buying a person, is paying for people, we're an HR function, and so in the private sector, it would not at all be uncommon to say let's do an HR review, hire a third party to come in and tell us the current state in terms of workforce availability, motivations, challenges, opportunities. For us, it feels like an important part of a story to then take to the public at some point to say this is part of the reason that we've got to have a discussion (Indiscernible) as Nevadans about tax policy and additional investment. And so I know that what we've been asked for is just limited to teachers, but anymore I look at what our Districts and Educators have to go through and then support personnel, it's counselors, it's social workers, it's mental health professionals, it's all of that. I don't want to make our to-do list longer but to have a study done simply about Educators seems useful, but insufficient in terms of what is the macro set of conditions in public education. In the private sector, you would hire an HR consulting firm to

bring that back to you.

Chair Hobbs stated one of the items, as he went through yesterday, is broader than teachers alone. It includes the term support personnel and I assume that's a (Indiscernible) and I assume it's pretty expensive. That would be the intention. And again, we need to start to assemble a scope of services that we again believe will meet the objective of what we've been asked to do. He asked Superintendent or Megan if they have any guidance on this as we try to put this together.

Jhone Ebert stated okay. We do have components and have looked at parts, but it is something that we would need to dive in deeper. I do like member Mather's conversation in regard to the entire human capital that we have and that supports our students.

Chair Hobbs stated as far as how to proceed on developing something that might intend to look like a scope of services, is it reasonable to ask those of you that have thoughts in this area to be prepared to bring those back to the next meeting and then that can be not to skip ahead to the next item, one of the agenda items on the next meeting as well, so we can maybe flesh out the scope and provide that back over to Department of Education to begin to put something together to go out to acquire that expertise.

Punam Mather stated she heard the statistics on (Indiscernible) how willfully short we are in terms of the number of social workers that we need. If you've got consultants that you've worked with at the Department who have done pieces and parts, could that be the logical partner to extend and have them complete a picture where they've already gotten pieces and parts pulled together?

Jhone Ebert stated the short answer is yes. The long answer is, once the Commission has determined what the scope is, she can give you a better idea of what we already have access to and then we're also in the process of updating our own technology as well. There's a timing piece to this, as well as what the final determination of scope is from this group, but I definitely think it's doable.

David Jensen stated that he showed them a list of those things that we have to go through and you've got a format where you've listed out everything that we need to break out as well. He asked if that could be sent to the Commission as we're thinking about this.

Chair Hobbs stated he would send it out to you after the meeting today. It's not an exact pull from the language, but where there were key words like the inclusion of support personnel, I tried to do that, but I'll certainly share that with you.

Dusty Casey asked if that was something that they could potentially email and compile, because a lot of us probably have the same thoughts and then that way on that agenda item, we could have it somewhat compiled when we get here to discuss rather than just throw out.

Chair Hobbs stated whatever they email each other by way of sharing ideas, they might do that in the normal course of business anyway.

Dusty Casey stated yes, he wasn't suggesting the whole group, he was suggesting either to one person or compile it for us, NDE or something.

Chair Hobbs stated yes, please do that. And we certainly will be relying on NDE to take whatever we put together and provide us additional guidance. That's going to be extraordinarily helpful too, but the notion is to try to build toward a scope that we can get out there and get started at least on those areas. The broader area of accountability and those kinds of measures, I need you to help me work this part through, because most of you

know quite a bit more about this than I do. Clearly what we're trying to get to is reporting that would provide, that would meet the test of the accountability part of it, as well as providing information over time that shows that changes in investment change the outcomes. And there's a lot of different facets to that, some of it again comes from the quarterly reports assuming that they're robust enough to provide all of that data and information. This is huge because the notion that the legislature on an ongoing basis would have the level of comfort and confidence to continue to make investments is so dependent upon our ability to demonstrate that it is a good investment that offers a return. I think this is easily as important as the funding scenarios themselves, because it supports those. And I don't think we want to miss anything in doing this. So help me out a little bit here.

Paul Johnson stated that is the most important piece from this point moving forward, because we have to provide an incentive for legislators and the public to continue to invest in something that we have started, so having effective ways to communicate that is incredibly important. Any business would expect that of investors. And we do have a framework in place that provides some measures, but I don't know the game ever changed with our formula, so that we need to have measures that we track that are consistent with the change that we made to the Pupil-Centered Funding Plan. And we also don't know if there are other States that have gone through this process that may have an effective means already of measuring these types of things. I don't know if there's a way for us to have another entity or individual take a look at other States and see if they have gone through a similar process, so we don't have to reinvent the wheel, and they can say, hey, we've done this before, here's the things that we've used from whatever State it is, that seem to be effective communication benchmarks and information for the public. So there may be some benefit to having somebody take a look at that.

Chair Hobbs stated we need to head in the same direction of putting some kind of scope together to get that help, then all of these things take time as we work.

Mark Mathers stated sometimes he feels like they try to do this themselves and they're not looking outward and seeing what other people have done and learned from them first. That's a really great idea to have at least someone on the side, a consultant on the side that could bring that information to us for us to look at, which maybe is not that hard, if it's a firm like APA or West End or whatever that works with other States.

Chair Hobbs stated it's also critically important when we get this kind of subject matter expert help that it be from as credible a source as possible. Oftentimes, if it's internally generated, it is a view the same as from a very elder expert. We need to be cognizant of that as well and be mindful when we're going through some of these pieces, that's an incredibly important part of it as well, and we do have the resources to do it. This is another one where scoping is going to be big, incredibly important, and assuming that the quarterly reports are a basis for this, again it's what do you do with, what do you draw from them and how do you interpret that and present that over time and that's the piece that I think some additional outside guidance would be very helpful. And I'm not sure how to scope that. Thoughts on that as well as we come back to the next meeting, hopefully, coming out of the next meeting, we would be able to move forward with some scoping that we could move along to the Department of Education and use their guidance to help formalize that. That was the thought behind the agenda item number 12 again now those things that fall into the funding and finance bucket, where all systems go on that right now, it's this other part of it that I think is equally or more important at this point in time that will require that attention.

Mark Mathers stated he was reading the letter from the legislature to Superintendent Ebert's. It is about things we were cast to look at and just in terms of consulting expertise, the legislature has asked us to look at the Grad Score once again. Maybe some outside expertise could help us look at that, because I don't know what more we could do that we haven't done. I don't know if there's a consultant that could critique or examine the IC Grad Score and make recommendations. He asked if that had come up already.

Paul Johnson stated maybe that can be part of the academic progress piece.

Mark Mathers stated he felt like they keep kind of beating their head against that wall, and he didn't know that they'll get anywhere, if it's just us looking at that versus an outsider maybe bringing in some other issues and questions that we could consider and kick around.

Chair Hobbs stated he raised a good point because on the list that I put together I was just drawing from the legislation itself. Not the letter of intent. And there were three or four things on there that also are boxes we need to check and that has a different, for lack of a better term, due date on it than our report does.

Mark Mathers stated he also doesn't know if he's qualified or have the right to consider this question about dual language programs, maybe NDE has that expertise that could and with that, we could talk about it first, but I don't know the issues intimately enough to feel like I would be qualified to make recommendations about that with at least Department of Education's help and maybe a consultant, because again not a funding issue, it's outside.

Chair Hobbs: Well, there were a couple of things that were specific on those letter of intent requirements -- were almost like standalone items that we have to check off. So again when I send this to you, it doesn't include those that should have, but -- So like we kind of migrate into item 13 at this point, at this point because that's sort of where we're heading anyway, Future Agenda Items. Yeah (Indiscernible).

### **13. Future Agenda Items (Information and Discussion)**

Joyce Woodhouse stated almost a year ago, the Commission had a report from Dr. Repso from the Gwynn Center on the task that we had asked the Gwynn Center to take a look at. All of these, especially these three negative reports that we get about where Nevada stands in relationship to the nation. Punam and I had gotten our heads together on it. We were able to get some additional private funding in order for the Gwynn Center to do that work and Dr. Repso ended up with a wonderful job opportunity across the Country and so he had made that report and I think it was about this time a year ago, and that was the first two phases. He was not able to do the third phase before he left and then the Gwynn Center had a number of changes in their top administrator, but now we have former Assemblywoman (Indiscernible) at the helm at the Gwynn Center, and Punam and I have spoken with her. Actually we had a zoom conference with her and two of her research staff people. Michael Stewart who was head of research for LCB and Todd Butterworth who was also very much involved in both Senate and the Assembly side in education research helping legislators. So they're now working with Jill at the Gwynn Center. They put together a couple of pages of an outline of what needed to be, what could be looked at for the third and final phase of what we had contracted with what we have outside of this, outside of the Commission to work on and bring back to the Commission. In speaking with the three of them and it's a couple of others that were on the staff, what their offer was they would complete the report based upon that outline both Punam and I thought the outline was exceedingly descriptive and helpful, and so we asked them to go ahead and finish that report. Jill made that and Michael and Todd as well made the commitment that they thought they could finish it within weeks or a month or so at the most, and so I think we could get that for a future meeting, either probably no later than October. It might be ready by September since we met with them about two, three weeks ago. They were going to go right to work on it, so it may be ready for the next meeting or certainly no later than October. So I just wanted to know that would be coming to this Commission for them to give us that final report that we had asked for them.

Chair Hobbs stated let's go and ahead and tentatively put that on the next agenda, and if we find that they are not ready, we could certainly bump it to the next agenda after.

Paul Johnson stated (Indiscernible) the two scopes of contract that you just talked about. I don't know whose

responsibility this would be or where it would line, but I think that there is an expectation with the two billion dollars that have been put into education that there's going to be some measurable results that are going to take place. It's probably not going to be student performance data, because that's so longitudinal, so we have to provide something to legislators, some statistical analysis that says here's how it helped us. I don't know if it would be helpful for this Commission to frame that or whether that is this (Indiscernible) responsibility, but statistics such as a lower vacancy rate of (Indiscernible) the things that are short-term measurable that we could package to say, here we have positive results, let's keep going. I don't know if that is something that this Commission wants to be involved with, but I thought I would throw that out for discussion.

Chair Hobbs stated he thinks that's a very good point, because I believe those expectations whether reasonable or not (Indiscernible). Things are changing dramatically and there may be only a few things that you're able to evidence, but if I were sitting in position of being a legislator, I guess the first couple of questions I might have would be, okay, you got that, we realized that, it's going to take you a year or two to get any measurable data back to us, but what did you do with it.

Paul Johnson stated in the meantime, we've hired more social workers or psychologists. We had no teacher vacancies -- and I think having some criteria early will help school districts put together something that's consistent across all school districts, instead of just anecdotal within each school district.

David Jensen stated one of the first tangibles is every District is giving a sizable salary increase, even those that are still in negotiations, it's going to equate to a positive movement forward and that's something we heard from the legislature clearly. So that's going to take up a sizable chunk of the allocation, not all of it, but that's one thing I think we can clearly demonstrate as a return, this is salary schedules prior, here is salary schedules after, it equated to whatever it is and then start turning in, as Paul indicated, into how that's effective positions.

Chair Hobbs asked if that was in the context of a future agenda item.

Paul Johnson stated he didn't know if that would be something that we would do, but we could have an agenda item to discuss the immediate impacts for that for communications to legislators as an agenda item. I would hate for there to be independent things going on without somebody tying all this stuff together, so that we can effectively communicate a consistent comparable set of data to legislators to say, man, keep going, this is great stuff, we were able to with the X percent increase in wages. We've known that that has worked. We know it, because in our small school district, we've been told by teachers that that was one of the compelling reasons for them to accept a job in our community. So we have stories like that, but no stats. So we need to have something that is I think reportable, I guess

Chair Hobbs stated he agreed.

Jim McIntosh asked if they were allowed to make additional recommendations to the legislature in terms of measurements or performance indicators.

Chair Hobbs stated yes.

Jim McIntosh stated that falls into that bucket. That group that you're putting together will start with that initial list that we're required to do. Those are really important, I appreciate your point, so I think those are things we ought to be thinking of that really tell the story.

Chair Hobbs stated an additional agenda item would be, hopefully in September, October would be a reporting on the adjusted targets as discussed earlier.



Punam Mather stated early on when we got together in our initial two working groups, one was looking at all the reporting and I recall that we had some set out loud ambition of, hey, if we do a really good job maybe we can even spare some of the reporting that the Districts are currently burdened by, and so I just wonder, as we look at the reporting, the accountability, scope is also an opportunity while we're doing the work to say, here are the dashboard gauges and the metrics that we want, here are the measurement systems that need to be in place and then here are maybe the measurement systems that are no longer relevant and useful, because I have a sense that the Districts are churning out reports like crazy all the time, but it's funny, because we're here talking about trying to get reports. So I just wonder whether that's a scope, whether part of the good that can come from this is to spare the Districts a lot of wasted time that we currently seem to require of them, so that was one. Two, to the point that Paul just made and you said it earlier and I think you used the term accountability, that is, did you say series over time, a series of metrics over time? And Paul just used the term longitudinal. As I look at the kind of reporting of desires expressed by the legislature, they're long-term things, to move a graduation rate is a long-term thing, we will get there but that can't be the measure that's going to serve us best to see if what we're doing today is working. So from the standpoint of what do we need as a State and as a Commission to know if the investments are working, we probably need to have short-term gauges, mid-term gauges, longer term gauges and then the absolute gauges, which ultimately feed into those national rankings. And so rather than sort of maybe it's part of the work policy rather than having a communication strategy that says we're going to communicate what we just did with the money and here's what difference it made. If we could roll that into the scope of our overall reporting, so that we can really help educate the public and the legislators with managing expectations as well, that putting two billion dollars of what that means is that we've got more social workers than we had before, that's a good thing, that we've got more reading specialists, because those weighted funds afforded that reading specialists to help those ELL learners, like even if we get some of those short-term measures on our gauge on our way to some mid-term metrics ultimately to move the long-term gauges. So it somehow incorporate that in the scope of that accountability work.

Chair Hobbs stated let him actually draw on something that Jim said earlier, because a good part of that fits under the quarterly reporting.

Unidentified Speaker stated they could include those stats in the quarterly reporting perhaps.

Paul Johnson stated they could certainly add them to whatever list. He was thinking more academic progress.

Chair Hobbs stated not necessarily a separate agenda item as much as broadening the scope of things that you're looking at for the quarterly reporting. He asked Punam if that made sense.

Punam Mather stated in the private sector part of what we would do is to say what do we as leaders need to be keeping an eye on, so I'll give an example. The hospitality business, one I know best, if you wanted to us to move your customer satisfaction scores, you first had to say, are we adequately staffed, do we have trained personnel, do we have supportive personnel, and do they have what they need in order to be able to do the work. So there were many gauges that we would watch in the immediate term, and if we could see positive progress in the mini gauges, so the short-term gauges, there was some hope, some so if not misguided, but cemented hope that we would ultimately move the customer SAT scores. I could, I would make the same observation about graduation rates or proficiency, right, that there's a lot of things that need to happen, and at the end of the day, K-12 based on the NAS, what we got from NAS is the highest priority is to get people in place. So are there some short-term gauges that we can be reporting on quarterly to say there is progress, we've got two more of these kind of staff, three more of these kinds and it's going to be a long-term thing to manage our expectations, because I do fear that after putting in two billion dollars if the expectation is graduation rates should have improved by a week from Sunday and that doesn't happen, then the cynics who are quick to say, you see that money doesn't matter, and so I think there's an opportunity for us given that we sort of have operated in a very apolitical and best based on the facts in the way that we've done our work is that there's an opportunity for us to

really help to manage expectations based on how we address the accountability part of our work. So I think it is probably something to get addressed in that scope of service.

Chair Hobbs asked Jason Goudie if they are with that.

Jason Goudie stated yes, absolutely.

Paul Johnson stated our group had received a report from West End in order to create efficiency with legislation and policy and I wonder if it would be helpful for us to go back and revisit that to see if we were able to reduce a lot of the redundancies that they identified in statute, so that we make sure that we do follow up on the work that they already prepared and that would help, that would be consistent with what Governor Lombardo has made an edict of folks to reduce policy or to streamline things, so I think it would be prudent for us to follow up on that study to see if there's more work that needs to be done.

Chair Hobbs asked if that was something they think they can do by the next meeting.

Paul Johnson stated they probably want a contact list first. That may not be in next agenda meeting.

Chair Hobbs stated but a future agenda item.

Paul Johnson stated yes, he didn't know how soon that could happen.

Megan Peterson stated she also shared here in (Indiscernible) the Department has also entered into a change management contract with West End and APA to actually help with implementation of the Pupil-Centered Funding Plan. They were tasked for something similar, but more from the Department perspective. So it would be interesting to compare the two reports, but after that, I would stay in touch base with West End in terms of how we use it here (Indiscernible).

Paul Johnson asked if it could be in next agenda meeting.

Megan Peterson stated if they have it.

Chair Hobbs stated they will plan toward that now and see if that can actually happen.

David Jensen asked if they were going to schedule upcoming meetings.

Chair Hobbs stated they can certainly give that a shot. This being our first meeting, we had it on a Friday, and I know that's a lot of fun for a lot of people. That's the reason for having the discussion. A couple three years ago, we decided that Friday meetings would be the best. He asked if the Commission still feels that way. For some that are traveling more than others, I know what it's like to go to the airport on Friday.

A discussion was held and tentative dates will be September 28th, October 20th, November 9th and December 15th.

#### **14. Public Comment #2**

Beau Bennett stated they have one public comment from the Nevada State Education Association. "The Nevada State Education Association has been a voice for the Nevada Educators for over 120 years. For decades, Nevada has ranked at the bottom of States in education funding. In April, the National Education Association released their annual ranking of the States for 2022 and Nevada continued to struggle. At \$11,280 per pupil last year, Nevada once again ranks 48th in the Country, more than \$5,000 behind the national average

and about \$1,000 behind both Alabama and Mississippi. While it was certainly promising that the K-12 budget was increased by 26% over the last biennium and 318 million more than the Governor's recommendation, this good news is blunted by minimal increases in previous years that also had record inflation eating away most of the proposed increases. The 2019 legislature created this Commission on School Funding and tasked you with studying what it would take for Nevada to reach optimal funding in 10 years. Accounting for the most historic increases to K-12 funding recommended in the Governor's budget, Nevada will still need to raise over 2 billion dollars per year to reach optimal education funding by fiscal year '33. I trust Chair Hobbs will be discussing more exact numbers. The Commission was additionally tasked with making recommendations to the legislature on how the State could raise these funds. The two areas recommended were sales tax and property taxes. This is best described in your November 2022 report. As noted, there are only two sources of tax revenue that have the capacity to achieve the identified levels of annual funding and increases over time, property tax and sales tax, while other tax sources can certainly be considered to complement or supplement the overall funding strategy, the revenue demands to achieve the targeted levels of funding in the coming decade would not be achievable without significant contributions from the tax capacity that exists within the State and sales tax systems. Unfortunately while the Governor – excuse me. Unfortunately while the Governor and legislature were able to program additional funds into the K-12 budget this year, they have failed to move the ball on any new sources of revenue including the Commission's recommendation. This will need to be addressed, if Nevada is ever to approach optimal education funding.” And that is all the comments from Carson City.

**15. Adjournment**

Meeting was adjourned at 1:41 p.m.