

AN OVERVIEW OF THE NEVADA PUPIL-CENTERED FUNDING PLAN FOR SCHOOL FINANCE

Fiscal Years
2023-24 and 2024-25

JANUARY 2025





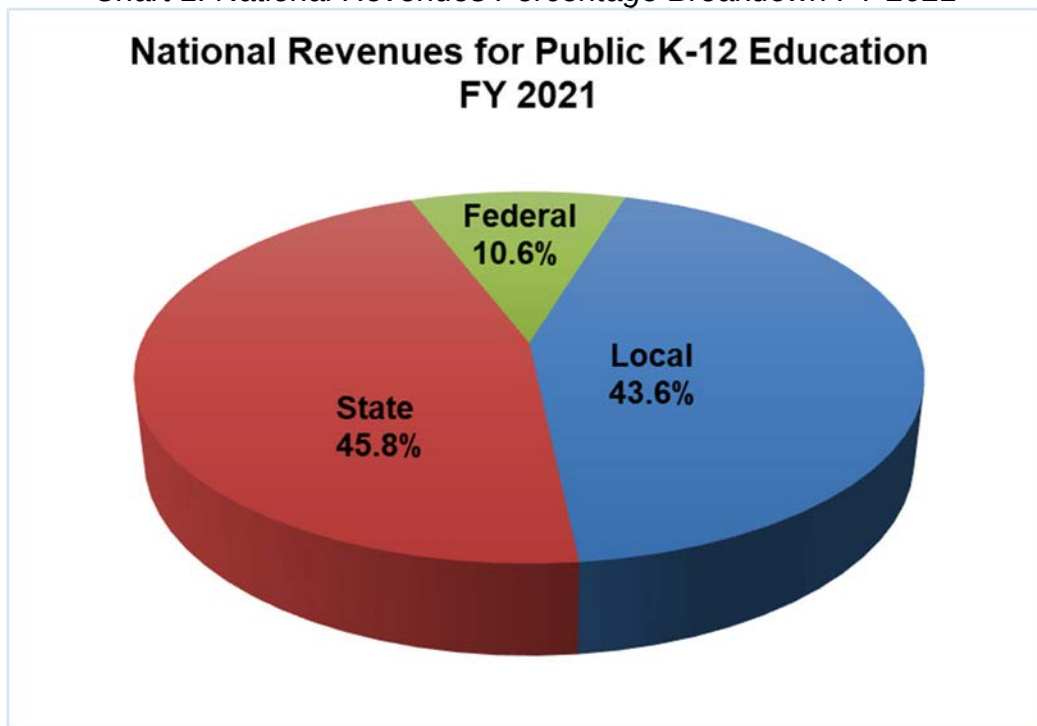
Pupil-Centered Funding Plan

I. Overview of Public K-12 Education Finance

National Overview

The National Center for Education Statistics reports that approximately \$837.338 billion was collected in revenues for public elementary and secondary education in the United States in FY 2021 (the most recent year for which data is available). These revenues, which were generated from a combination of local, state, and federal sources, were used to support the operations of schools as well as capital construction, equipment costs, and debt financing. The greatest percentage of revenues came from state and local governments, which together provided \$748.927 billion, or approximately 89.4% of all revenues; the federal government's contribution was \$88.411 billion, or approximately 10.6% of all revenues.

Chart 1: National Revenues Percentage Breakdown FY 2021



Source: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), Revenues and Expenditures for Public Elementary and Secondary Education: FY 2021.

Between FY 2012 and FY 2021, total revenues for public elementary and secondary education in the United States increased by 39.4%, from \$600.489 billion in FY 2012 to \$837.338 billion in FY 2021. The largest increase occurred in revenue provided by state governments, which increased from \$271.453 billion in FY 2012 to \$383.807 billion in FY 2021, a 41.4% increase. Over the same period, local revenue for public

K-12 education increased from \$267.993 billion to \$365.120 billion and federal revenue increased from \$61.043 billion to \$88.411 billion, a 36.2% and a 44.8% increase, respectively. See Appendix A for a chart showing changes in national revenues for public elementary and secondary education between FY 2012 and FY 2021.

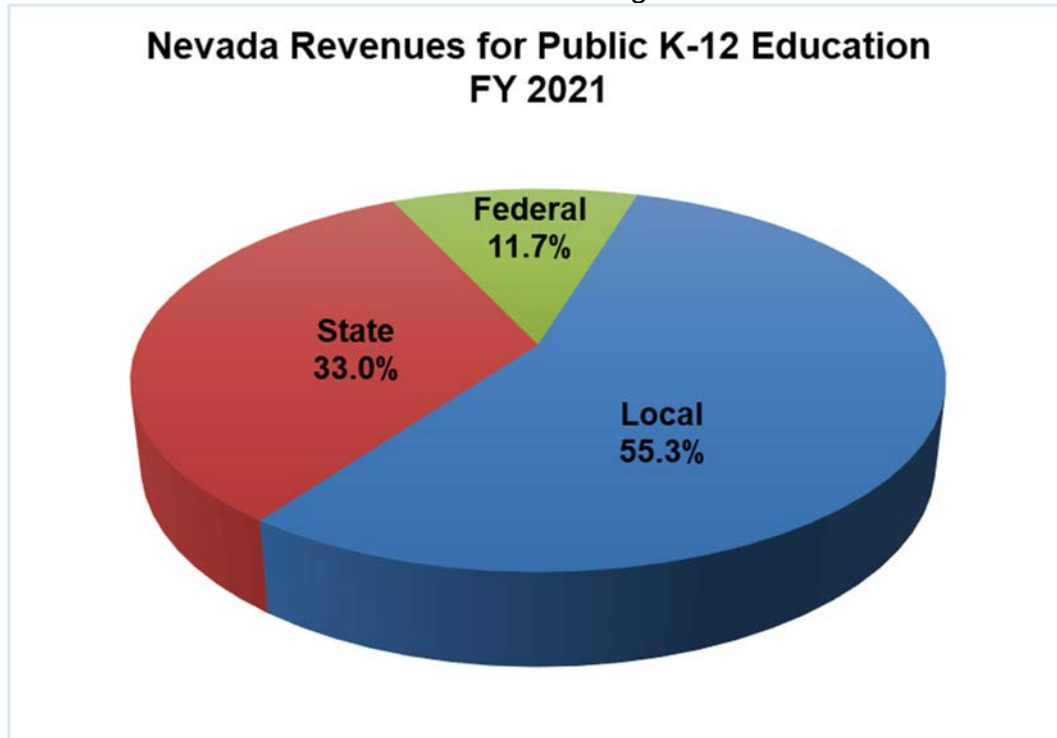
Due to the alternative financing mechanisms utilized in each of the states, there are differences between the revenue mix used to fund public elementary and secondary education. For example, among states with more than one school district (i.e., all states except Hawaii), local contributions to the public K-12 education funding mix in FY 2021 varied from 2.0% in Vermont to 62.0% in New Hampshire. Similarly, state contributions to public K-12 education in FY 2021 varied from 29.8% in Missouri to 87.6% in Vermont. As a result of these differences in funding mixes, a meaningful comparison of state and local revenue provided for public elementary and secondary education across states is difficult to derive.

Nevada Overview

According to the National Center for Education Statistics, revenues in support of Nevada's public K-12 schools for FY 2021 were approximately \$5.822 billion, which represents the largest amount over the last ten fiscal years. When compared to the FY 2012 total revenue of \$4.138 billion, revenue for public elementary and secondary education for FY 2021 in Nevada has increased by 40.7%. This percentage increase in K-12 public education revenue is slightly higher when compared to the national increase of 39.4% over the same period. See Appendix B for a chart showing changes in Nevada revenues for public elementary and secondary education from FY 2012 through FY 2021.

Like other states, financial support of Nevada's public elementary and secondary schools is a shared responsibility. In FY 2021, the local share of public K-12 education revenue totaled 55.3% (\$3.220 billion), while revenue from the state totaled 33.0% (\$1.922 billion). Total federal revenue for public elementary and secondary schools in Nevada in FY 2021 was 11.7% (\$680.0 million), which was above the national average of 10.6%.

Chart 2: Nevada Revenues Percentage Breakdown FY 2021



Source: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey (NPEFS)," FY 2021.

Note: Percentages do not total to 100% due to rounding.

It should be noted that a large portion of the local funding in Nevada is derived from the state-mandated Local School Support Tax (sales tax) and Ad Valorem Property/Mining Tax (property tax), which was considered a local revenue source under the Nevada Plan funding formula that was in effect through FY 2021. As a result, the local share of public K-12 education revenue in Nevada has historically been one of the highest in the nation. In FY 2012, the local share of K-12 public education revenue in Nevada was 57.0%, the fifth highest in the nation at that time after New Hampshire (excluding the District of Columbia). By FY 2021, the local revenue share dropped to 55.3%, the sixth-highest percentage nationally (excluding the District of Columbia). From FY 2012 to FY 2020, the state share of public elementary and secondary education revenue in Nevada increased from 33.0% to 37.3%. However, due to the various impacts stemming from the pandemic, the state percentage share decreased back to 33.0% in FY 2021. See Appendix C for a chart showing the percentage distribution of revenues for public elementary and secondary education in Nevada and the United States between FY 2012 and FY 2021.

Just as there are differences between the national averages and Nevada's sources of revenue for public education, there are differences between Nevada's averages and what might be found in any given Nevada school district. Local contributions for Nevada school districts range from 1.1% (Lander County) to 21.4% (Washoe County) and state contributions range from 61.6% (Clark County) to 87.3% (Eureka County). It is important to note that the funding percentage distribution for school districts changed significantly with the establishment of the State Education Fund in FY 2022 and the implementation

of the Pupil-Centered Funding Plan. Certain local revenues, such as the Local School Support Tax, which were previously reported as local revenues, were redirected into the State Education Fund and distributed under the Pupil-Centered Funding Plan. As a result, these revenues are now reported as state contributions rather than local contributions.

Table 1: Nevada Revenues Distribution by School District FY 2023

Nevada K-12 Public Education Revenues and Percentage Distribution – FY 2023							
District	Revenues (Millions of \$)				Percentage Distribution		
	Local	State	Federal	Total	Local	State	Federal
Carson City	\$ 13.4	\$ 76.7	\$ 17.0	\$ 107.1	12.5%	71.6%	15.9%
Churchill	\$ 7.0	\$ 35.2	\$ 10.2	\$ 52.5	13.3%	67.2%	19.5%
Clark	\$ 864.2	\$ 2,953.5	\$ 974.8	\$ 4,792.5	18.0%	61.6%	20.3%
Douglas	\$ 7.2	\$ 59.5	\$ 8.6	\$ 75.3	9.6%	79.0%	11.4%
Elko	\$ 3.1	\$ 111.3	\$ 19.4	\$ 133.8	2.3%	83.2%	14.5%
Esmeralda	\$ 0.1	\$ 2.3	\$ 0.4	\$ 2.9	3.7%	81.3%	15.0%
Eureka	\$ 0.5	\$ 6.8	\$ 0.5	\$ 7.8	5.9%	87.3%	6.8%
Humboldt	\$ 2.7	\$ 38.9	\$ 10.1	\$ 51.7	5.3%	75.2%	19.5%
Lander	\$ 0.2	\$ 12.8	\$ 2.2	\$ 15.1	1.1%	84.7%	14.3%
Lincoln	\$ 1.2	\$ 15.0	\$ 2.3	\$ 18.4	6.5%	81.3%	12.2%
Lyon	\$ 14.9	\$ 98.0	\$ 36.9	\$ 149.8	10.0%	65.4%	24.6%
Mineral	\$ 0.6	\$ 8.9	\$ 2.8	\$ 12.3	5.2%	72.1%	22.7%
Nye	\$ 4.3	\$ 68.2	\$ 15.9	\$ 88.4	4.8%	77.2%	18.0%
Pershing	\$ 1.8	\$ 11.6	\$ 1.4	\$ 14.8	12.0%	78.4%	9.6%
Storey	\$ 1.8	\$ 11.0	\$ 0.7	\$ 13.5	13.4%	81.3%	5.3%
Washoe	\$ 193.1	\$ 578.0	\$ 130.4	\$ 901.4	21.4%	64.1%	14.5%
White Pine	\$ 2.9	\$ 19.3	\$ 3.9	\$ 26.1	11.0%	74.0%	15.0%
University School	\$ 2.6	\$ 1.1	\$ -	\$ 3.8	69.6%	30.4%	0.0%
Charter Schools*	\$ 17.8	\$ 544.5	\$ 97.2	\$ 659.5	2.7%	82.6%	14.7%
Statewide	\$ 1,139.3	\$ 4,652.7	\$1,334.7	\$ 7,126.8	16.0%	65.3%	18.7%

*Data for charter schools reflects all charter schools combined.

Source: NRS 387.303 Report, Major Funds tab, FY 2023 (unaudited)

Notes: Revenues exclude bond proceeds, fund transfers, opening fund balance, and all other revenue not categorized as local, state, or federal.

Totals may not balance due to rounding.

II. History of Major Legislation Affecting Public K-12 Education Funding in Nevada

For over 50 years, changes in Nevada's tax policy have affected the revenue provided to fund Nevada's schools. This section includes a brief overview and discussion of some of the major tax policies and other changes that have affected public elementary and secondary education funding in Nevada. This section should not be read as an exhaustive history of public K-12 education funding changes, but rather a brief introduction to the major adjustments, reforms, and revisions to education funding in Nevada.

- **1967** – The Legislature approves Senate Bill 15, which establishes the Nevada Plan funding formula for K-12 education in Nevada and the State Distributive School Account to distribute state funding under the plan. The Nevada Plan funding formula would be utilized until the implementation of the Pupil-Centered Funding Plan beginning in FY 2022. The Legislature also creates the Local School Support Tax, which is added to the sales and use tax at a rate of 1.0%.

- **1979** – To provide relief to taxpayers, the Legislature approves a reduction in the property tax rate for the support of schools from \$1.50 (70 cents mandatory and 80 cents optional) to 50 cents per \$100 of assessed valuation. General Fund appropriations to the State Distributive School Account were increased to offset the effects of reducing property tax and removing sales tax on food (see the next bullet concerning the food exemption from the sales and use tax).
- **1979** – Voters amend the sales and use tax to provide for the exemption of food for home consumption.
- **1981** – To reduce the cost of K-12 public education on the State General Fund, the Local School Support Tax increases from 1.0% to 1.5%.
- **1983** – As a result of the 1981 “Tax Shift,” which changed the primary revenue source of local governments from the property tax to the sales and use tax, local governments are hit hard when a national recession causes sales and use tax revenues to fall short of estimates. In response, the Legislature increases the property tax rate by 25 cents (from 50 cents to 75 cents) and guarantees the extra 25 cents through the Nevada Plan funding formula.
- **1991** – The Local School Support Tax rate increases from 1.50% to 2.25%, which reduces the need for State General Fund appropriations for K-12 public education.
- **2009** – Due to the Great Recession, the Legislature temporarily increases the Local School Support Tax rate by 0.35 percentage points (from 2.25% to 2.60%) for the period beginning July 1, 2009, through June 30, 2011.
- **2009** – Initiative Petition 1 (2008), though not signed by the Governor, becomes law pursuant to Article 4, Section 35, of the Nevada Constitution. The initiative imposes an additional tax on the gross receipts from the rental of transient lodging in certain counties. Pursuant to the language of the initiative, the proceeds from this tax are credited to the State General Fund between July 1, 2009, and June 30, 2011 (see the next bullet concerning the planned use for this funding in future biennia).
- **2011** – Pursuant to the language of Initiative Petition 1 (2008), beginning July 1, 2011, the proceeds of the transient lodging tax are to be credited to the State Supplemental School Support Account to be distributed proportionally among all school districts and charter schools in the state to improve student achievement and to retain qualified teachers and non-administrative employees. However, the Legislature approves the transfer of all Initiative Petition 1 (2008) revenue generated over the 2011-13 biennium from the State Supplemental School Support Account to the Distributive School Account as a state funding source, offsetting the amount of General Fund appropriations needed for K-12 education in that biennium.

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NRS 387.121
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- **2011** – The Legislature approves maintaining the Local School Support Tax rate at 2.60% and extends the sunset to June 30, 2013, at which time the rate would revert to 2.25%.
- **2013** – The Legislature approves maintaining the Local School Support Tax rate at 2.60% and extends the sunset to June 30, 2015, at which time the rate would revert to 2.25%.
- **2013-2019** – During the 2013, 2015, 2017, and 2019 Sessions, the Legislature approves the transfer of all Initiative Petition 1 (2008) revenue from the State Supplemental School Support Account to the Distributive School Account as a state funding source for the 2013-15 biennium, 2015-17 biennium, 2017-19 biennium, and 2019-21 biennium, respectively. (Note: Senate Bill 543 of the 2019 Legislative Session later approves this revenue to be utilized as a state funding source for the State Education Fund beginning in the 2021-23 biennium under the Pupil-Centered Funding Plan).
- **2015** – The Legislature approves a permanent increase to the Local School Support Tax rate from 2.25% to 2.60%.
- **2016** – Ballot Question 2 is approved by Nevada voters and authorizes the sale of recreational marijuana in the state. As required by the provisions of the ballot question, the proceeds from the 15.0% excise tax on wholesale sales by a cultivation facility and the application and license fees first fund the costs of administration by the Department of Taxation and local governments, with the revenue in excess of these costs deposited in the Distributive School Account to provide state funding for K-12 education. (Note: Assembly Bill 533 of the 2019 Legislative Session later creates the Cannabis Compliance Board and transfers the authority to license and regulate persons and establishments involved in the marijuana industry from the Department of Taxation to the board).
- **2019** – The Legislature approves Senate Bill 543, which replaces the Nevada Plan funding formula and the majority of categorical funding for K-12 education with the Pupil-Centered Funding Plan beginning in the 2021-23 biennium. Senate Bill 543 also authorizes the creation of the State Education Fund where all state and the vast majority of local revenue provided for K-12 education would be deposited. In addition, Senate Bill 543 authorizes the establishment of an Education Stabilization Account (i.e., K-12 Rainy Day Account). To fully develop the new plan, Senate Bill 543 also creates the Commission on School Funding to provide guidance, monitor implementation, make recommendations, and review the funding provided under the plan.
- **2019** – The Legislature approves Senate Bill 545 that requires the proceeds from the 10.0% excise tax imposed on the retail sales of recreational marijuana products, which was approved in Senate Bill 487 (2017) with the proceeds deposited in the Account to Stabilize the Operation of the State Government (i.e., State Rainy Day Fund) beginning in FY 2018, to instead be deposited in the Distributive School Account beginning in FY 2020.

- **2021** – The Legislature approves Assembly Bill 495, which imposes an annual tax on each business entity engaged in the business of extracting gold or silver in this state whose Nevada gross revenue in a taxable year exceeds \$20.0 million, effective July 1, 2021. The proceeds from this tax are deposited in the State General Fund in FY 2022 and FY 2023, and then deposited in the State Education Fund beginning in FY 2024.
- **2021** – The Legislature approves Assembly Bill 495, which requires the portion of the Net Proceeds of Minerals Tax provided to the State General Fund instead be deposited in the State Education Fund as a dedicated state funding source for the benefit of K-12 education under the Pupil-Centered Funding Plan beginning in FY 2024.

III. An Overview of the Pupil-Centered Funding Plan

The 2019 Legislature approved Senate Bill 543, which revised the method the state uses to fund elementary and secondary education in the state's public schools by creating the Pupil-Centered Funding Plan beginning in FY 2022. This funding plan, like its predecessor, the Nevada Plan funding formula, allows the Legislature to achieve the intent stated in *Nevada Revised Statutes* (NRS) 387.121 that indicates, "The Legislature declares that the proper objective of state financial aid to public education is to ensure each Nevada child a reasonably equal educational opportunity."

The Pupil-Centered Funding Plan requires all state and a vast majority of local revenue dedicated for the support of K-12 education to be deposited and distributed through the State Education Fund. The Pupil-Centered Funding Plan also established an Education Stabilization Account that would receive certain ending fund balances from school districts, generally greater than 16.6% of actual expenditures, and the remaining uncommitted balance from the State Education Fund at the end of each biennium. With Interim Finance Committee approval, funding in the Education Stabilization Account may be allocated to the Nevada Department of Education for distribution to school districts and charter schools if the State Education Fund were to receive less money than authorized for expenditure in a fiscal year or if actual enrollment increases beyond projections.

The Pupil-Centered Funding Plan also utilizes an 11-member Commission on School Funding to monitor the plan, as well as provide guidance, recommend changes, and review the funding amounts included in the plan.

Along with the initial provisions provided by Senate Bill 543 (2019), the 2021 Legislature further refined the Pupil-Centered Funding Plan through the passage of Senate Bill 439 and Senate Bill 458 for its initial implementation beginning in FY 2022. As approved by the 2019, 2021, and the 2023 Legislatures, the Pupil-Centered Funding Plan reflects the following statutory provisions for its administration:

- *Nevada Revised Statutes* 387.1214 indicates legislative intent that the base per pupil funding amount should increase each year by not less than inflation to the extent practicable.

- *Nevada Revised Statutes* 387.12455 requires the Governor, as practicable, to increase or decrease General Fund appropriations for the State Education Fund based on either the unrestricted General Fund revenue projections of the Economic Forum or the combined rate of inflation and enrollment growth, depending on whether the Economic Forum's forecast exceeds or is less than the General Fund forecast for the immediately preceding biennium.
- *Nevada Revised Statutes* 387.121 provides legislative intent that school districts and charter schools should receive at least the same level of funding under the Pupil-Centered Funding Plan on a per pupil basis as they received or were awarded in FY 2020.
- *Nevada Revised Statutes* 387.12455 allows the Governor, if he or she determines it would be impracticable to fund K-12 education as required under the provisions of Chapter 387 of NRS, to instead propose an executive budget for K-12 education that he or she determines to be appropriate.

The Pupil-Centered Funding Plan approved by the 2023 Legislature also reflected the following key provisions as the plan was implemented for the 2023-25 biennium:

- Funding provided through the Pupil-Centered Funding Plan is provided for the following purposes:
 - o Food service and transportation costs of school districts (tier funding)
 - o Local funding to support pupils with disabilities (tier funding)
 - o Base per pupil funding, along with adjustment factors that are noted below
 - o Weighted funding for English learner, at-risk, and gifted and talented pupils
- Adjustment factors to the base per pupil funding amount for variations among the counties for the cost of living/cost of labor and increased costs to operate schools in attendance areas with low population densities.
- Interest is earned only from revenue in the State Education Fund and excludes the General Fund appropriation.
- The Net Proceeds of Minerals revenue that was received by school districts in FY 2023 is deemed as revenue in the State Education Fund in FY 2024 and future receipt of Net Proceeds of Minerals revenues continue to be deemed revenue in the corresponding subsequent fiscal years.
- Balance the Pupil-Centered Funding Plan model expenditures with available revenue by applying a proportional reduction to base, weighted funding, tier funding, and hold harmless amounts, consistent with NRS 387.1214. These legislatively approved proportional reductions were 0.17% in FY 2024, and 0.15% in FY 2025.

IV. The Legislatively Approved Pupil-Centered Funding Plan Budget for the 2023-25 Biennium

Funding: The Pupil-Centered Funding Plan is a revenue-based funding formula whereby available revenue, rather than projected expenditures, determines the funding that is provided for K-12 education. As detailed in Table 1, the 2023 Legislature approved total funding of \$5.477 billion in FY 2024 and \$5.720 billion in FY 2025 for the Pupil-Centered Funding Plan.

Table 1: Pupil-Centered Funding Plan Funding for the 2023-25 Biennium

Funding Approved by the 2023 Legislature for the Pupil-Centered Funding Plan			
	FY 2024	FY 2025	% Change
General Fund Appropriations ¹	\$ 1,137,995,964	\$ 1,487,995,964	30.8%
Revenue			
Local School Support Tax	\$ 2,347,428,000	\$ 2,454,407,000	4.6%
Property Tax	\$ 1,012,450,000	\$ 1,080,279,000	6.7%
Room Tax Revenue	\$ 249,739,000	\$ 241,840,000	-3.2%
Balance Forward from Prior Year ^{2 & 3}	\$ 308,815,945	\$ 19,602,000	-93.7%
Governmental Services Tax	\$ 130,140,000	\$ 134,499,000	3.3%
Recreational Marijuana Retail Tax	\$ 76,037,000	\$ 75,404,000	-0.8%
Gold and Silver Tax ⁴	\$ 65,747,000	\$ 63,063,000	-4.1%
Net Proceeds of Minerals - State ⁵	\$ 37,525,000	\$ 58,305,000	55.4%
Transfer from the Cannabis Compliance Board	\$ 40,504,000	\$ 40,907,000	1.0%
Annual Slot Tax	\$ 25,788,000	\$ 25,152,000	-2.5%
Net Proceeds of Minerals - Districts ²	\$ 19,602,000	\$ 19,223,000	-1.9%
Treasurer's Interest	\$ 18,569,000	\$ 14,540,000	-21.7%
Permanent School Fund Transfer	\$ 13,447,000	\$ 11,501,000	-14.5%
Federal Mineral Leasing	\$ 7,500,000	\$ 7,500,000	0.0%
Franchise Fees	\$ 3,500,000	\$ 3,500,000	0.0%
Boat Registration Fees	\$ 900,000	\$ 900,000	0.0%
Sale of Forfeited Property Proceeds	\$ 740,000	\$ 740,000	0.0%
State Environmental Commission Fines ⁶	\$ 50,000	\$ 50,000	0.0%
Transfers from Unclaimed Property	\$ 34,000	\$ 34,000	0.0%
Agriculture Fines ⁷	\$ 11,000	\$ 11,000	0.0%
Gifts/Donations of Unclaimed Property	\$ 900	\$ 900	0.0%
Total:	\$ 5,496,523,809	\$ 5,739,453,864	4.4%
Less Net Proceeds of Minerals - Districts ²	\$ 19,602,000	\$ 19,223,000	
Adjusted Total	\$ 5,476,921,809	\$ 5,720,230,864	4.4%
¹ The Governor recommended total General Fund appropriations for the Pupil-Centered Funding Plan remain unchanged between the 2021-23 biennium and the 2023-25 biennium. The 2023 Legislature approved this recommendation; however, it also approved additional General Fund appropriations of \$5.3 million over the 2023-25 biennium by not approving the Governor's recommended dual language program and instead transferring the program funding to the Pupil-Centered Funding Plan. ² Pursuant to NRS 387.1212(2)(k) and NRS 362.170(5), Net Proceeds of Minerals attributed to school districts is to be deposited in the State Education Fund. Pursuant to NRS 387.195(2), this revenue is required to be used in the fiscal year following the fiscal year it is distributed to the State Education Fund. Additionally, NRS 387.1214(6)(a) requires this revenue to be deemed the first money distributed to school districts through the Pupil-Centered Funding Plan. This funding was included in the legislatively approved budget for the 2021-23 biennium; however, the balance forward of funding into the following fiscal year was not included in the legislatively approved budget. ³ Pursuant to NRS 387.1213, the remaining balance in the Pupil-Centered Funding Plan Account at the end of a biennium must be transferred to the Education Stabilization Account. However, the Education Stabilization Account may only have a balance of 15.0% of all appropriations and authorizations from the Pupil-Centered Funding Plan Account for the preceding fiscal year. A balance forward is projected for FY 2024 that reflects the balance remaining in the Pupil-Centered Funding Plan Account that exceeds this 15.0% cap. It should be noted the 2023 Legislature also approved A.B. 523 that increased the Education Stabilization Account funding cap to 20.0% of all appropriations and authorizations from the Pupil-Centered Funding Plan Account for the preceding fiscal year, effective October 1, 2023. ⁴ Through the passage of A.B. 495, the 2021 Legislature imposed an annual tax on each business entity engaged in the business of extracting gold or silver in the state whose Nevada gross revenue in a taxable year exceeds \$20.0 million, effective July 1, 2021. The proceeds from this tax are deposited in the State General Fund in the 2021-23 biennium and then deposited in the State Education Fund beginning in FY 2024. ⁵ Through the passage of A.B. 495, the 2021 Legislature approved the portion of the Net Proceeds of Minerals Tax provided to the State General Fund instead be deposited in the State Education Fund as a dedicated state funding source for the benefit of K-12 education under the Pupil-Centered Funding Plan beginning in the 2023-25 biennium. Due to the temporary prepayment of this revenue that was approved by the Legislature through the passage of S.B. 3 of the 31st Special Session (2020), no revenue was projected to initially be received in FY 2024. However, the 2023 Legislature passed and the Governor approved S.B. 124, which moved the prepayment true-up from FY 2024 in the State Education Fund to FY 2023 in the General Fund. ⁶ Pursuant to NRS 387.1212(2)(o), administrative fines levied by the State Environmental Commission pursuant to NRS 455B.640 are to be deposited in the State Education Fund. The legislatively approved budget for the 2021-23 biennium did not reflect any funding from this revenue source, but projected revenue was reflected in the legislatively approved budget for the 2023-25 biennium. ⁷ Pursuant to NRS 555.470, the Director of the Department of Agriculture assesses fines for violations related to the application of pesticides and this revenue was historically provided to the school district in the county in which the violation occurred. However, to account for all revenue allocated to school districts through the Pupil-Centered Funding Plan, the 2023 Legislature approved A.B. 523 that modified NRS 555.470 by requiring this revenue to be deposited in the State Education Fund beginning in FY 2024.			

Expenditures: Pursuant to NRS 387.1214, funding under the Pupil-Centered Funding Plan is provided for the following purposes:

- Food service and transportation costs of school districts (tier funding)
- Local funding to support pupils with disabilities (tier funding)
- Base per pupil funding with adjustment factors
- Weighted funding for English learner, at-risk, and gifted and talented pupils

The following describes the methodology utilized by the 2023 Legislature to calculate the funding provided for each of these purposes:

Food Service and Transportation Costs

The 2023 Legislature approved food service and transportation funding based on the four-year average of these expenditures for each school district (FY 2019 - FY 2022). The calculated four-year average amount was then provided to each school district in both years of the 2023-25 biennium.

Local Funding to Support Pupils with Disabilities

The 2023 Legislature approved local funding to support pupils with disabilities (i.e., special education pupils) based on the actual local revenue provided by each school district and charter school for these students in FY 2022. These calculated amounts were then provided back to each school district and charter school in both years of the 2023-25 biennium.

Statewide Average Base Per Pupil Funding

Inflation, Residual Funding, and Proportional Reduction: The 2023 Legislature approved a beginning statewide base per pupil funding amount of \$7,074. This amount was then increased by 4.52% to reflect the change in the Consumer Price Index (CPI) for All Urban Consumers (West Region) from 2021 to 2022. The 2023 Legislature then approved an allocation of residual funding of \$1,587 per pupil. Finally, the 2023 Legislature approved applying a proportional reduction to this base amount of 0.17% in FY 2024 to balance the funding model, consistent with NRS 387.1214. This provided a final FY 2024 statewide base per pupil funding amount of \$8,966 ($\$7,074 \times 4.52\% \text{ CPI increase} + \$1,587 \text{ residual funding} \times 0.17\% \text{ proportional reduction} = \$8,966$).

The FY 2025 statewide base per pupil amount was calculated by multiplying the FY 2024 statewide base per pupil amount of \$8,966 by the CPI increase of 4.52%, an increase in residual funding of \$57 per pupil, and a proportional reduction of 0.15% needed to balance the funding model. This provided a final FY 2025 statewide base per pupil funding amount of \$9,414 ($\$8,966 \times 4.52\% \text{ CPI increase} + \$57 \text{ residual funding} \times 0.15\% \text{ proportional reduction} = \$9,414$).

Cost Adjustment Factor: Pursuant to NRS 387.1215, a cost adjustment factor should be established for each county to account for variation between the counties in the cost of living and the cost of labor. The cost adjustment factor for each county, otherwise known as the Nevada Cost of Education Index, is applied to each school district and each charter school that provides classroom-based instruction. The Nevada Cost of Education Index approved by the 2023 Legislature reflected a cost adjustment floor factor amount of 1.0 for all counties and charter schools based on the recommendation of the Commission on School Funding.

Attendance Area Adjustment: Pursuant to NRS 387.1218, an attendance area adjustment should be established for each relevant portion of a school district to account for the increased cost to provide services in areas with lower population densities.

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"...if a school district, charter school or university school for profoundly gifted pupils would receive less money under the Pupil-Centered Funding Plan than the district, charter school or university school for profoundly gifted pupils received during the fiscal year ending on June 30, 2020, it is the intent of the Legislature that the school district, charter school or university school for profoundly gifted pupils instead receive a reasonably similar level of funding on a per-pupil basis that the district, charter school or university school for profoundly gifted pupils received during the fiscal year ending on June 30, 2020."

NRS 387.121

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A charter school which provides in-person instruction must receive the same attendance area adjustment on a per pupil basis that a public school within a school district at the same location would receive.

Table 2 provides the base funding, attendance area adjustment funding, and cost adjustment factor funding for each school district, university school for profoundly gifted pupils, and all charter schools

combined for FY 2024 and FY 2025. It should be noted that the calculation for all school districts is provided. However, three school districts (Esmeralda, Eureka, and Storey) were determined to have received more funding on a per pupil basis in FY 2020 than they would have received under the Pupil-Centered Funding Plan. Therefore, consistent with the legislative intent provided by NRS 387.121(3), those school districts were instead provided with a reasonably similar level of funding on a per pupil basis that the school district received in FY 2020.

Table 2: Base, Attendance Area Adjustment, and Cost Adjustment Factor Funding

FY 2024: Calculation of Adjusted Base Per Pupil Funding for School Districts and All Charter Schools, Inclusive of Proportional Reduction								
	Projected Enrollment	Base Per-Pupil Funding (Initial)	Allocation of Remaining Funding	Base Funding ¹	Attendance Area Adjustment Funding	Nevada Cost of Education Index Adjustment Funding	Total Adjusted Base Funding	Adjusted Base Per Pupil Funding
Carson City	7,200	64,557,218	51	\$ 64,557,269	\$ 4,797,084	\$ -	\$ 69,354,353	\$ 9,632
Churchill	3,191	28,611,350	24	\$ 28,611,373	\$ 3,801,180	\$ -	\$ 32,412,553	\$ 10,157
Clark	293,210	2,628,892,352	1,960	\$ 2,628,894,312	\$ 23,250,028	\$ -	\$ 2,652,144,340	\$ 9,045
Douglas	5,165	46,313,189	39	\$ 46,313,227	\$ 5,827,213	\$ -	\$ 52,140,440	\$ 10,094
Elko	9,809	87,942,973	80	\$ 87,943,053	\$ 20,123,084	\$ -	\$ 108,066,137	\$ 11,017
Esmeralda ²	77	693,201	1	\$ 693,203	\$ 1,150,844	\$ -	\$ 1,844,047	\$ 23,851
Eureka ²	324	2,902,287	4	\$ 2,902,291	\$ 2,532,480	\$ -	\$ 5,434,771	\$ 16,789
Humboldt	3,183	28,535,103	26	\$ 28,535,129	\$ 6,406,818	\$ -	\$ 34,941,947	\$ 10,979
Lander	1,003	8,991,664	10	\$ 8,991,674	\$ 4,378,073	\$ -	\$ 13,369,747	\$ 13,331
Lincoln	883	7,917,072	11	\$ 7,917,082	\$ 6,492,658	\$ -	\$ 14,409,741	\$ 16,319
Lyon	9,036	81,016,250	73	\$ 81,016,323	\$ 17,862,361	\$ -	\$ 98,878,684	\$ 10,943
Mineral	567	5,087,555	6	\$ 5,087,561	\$ 3,675,159	\$ -	\$ 8,762,721	\$ 15,443
Nye	5,589	50,109,777	45	\$ 50,109,822	\$ 11,130,767	\$ -	\$ 61,240,590	\$ 10,957
Pershing	660	5,918,938	7	\$ 5,918,945	\$ 3,616,179	\$ -	\$ 9,535,124	\$ 14,444
Storey ²	413	3,703,408	5	\$ 3,703,413	\$ 2,998,095	\$ -	\$ 6,701,508	\$ 16,224
Washoe	60,548	542,864,160	414	\$ 542,864,573	\$ 16,806,694	\$ -	\$ 559,671,267	\$ 9,243
White Pine	1,259	11,291,578	13	\$ 11,291,591	\$ 6,536,724	\$ -	\$ 17,828,315	\$ 14,156
University School	162	1,452,872	1	\$ 1,452,874	\$ -	\$ -	\$ 1,452,874	\$ 8,966
Charter Schools ³	69,003	618,679,035	459	\$ 618,679,494	\$ 2,137,147	\$ -	\$ 620,816,641	\$ 8,997
FY 2025: Calculation of Adjusted Base Per Pupil Funding for School Districts and All Charter Schools, Inclusive of Proportional Reduction								
	Projected Enrollment	Base Per-Pupil Funding (Initial)	Allocation of Remaining Funding	Base Funding ¹	Attendance Area Adjustment Funding	Nevada Cost of Education Index Adjustment Funding	Total Adjusted Base Funding	Adjusted Base Per Pupil Funding
Carson City	7,207	67,851,127	1,469	\$ 67,852,596	\$ 5,040,999	\$ -	\$ 72,893,595	\$ 10,114
Churchill	3,194	30,071,189	686	\$ 30,071,876	\$ 3,986,682	\$ -	\$ 34,058,558	\$ 10,662
Clark	293,503	2,763,026,595	56,160	\$ 2,763,082,755	\$ 24,416,529	\$ -	\$ 2,787,499,284	\$ 9,497
Douglas	5,171	48,676,231	1,104	\$ 48,677,335	\$ 6,123,315	\$ -	\$ 54,800,651	\$ 10,598
Elko	9,818	92,430,096	2,288	\$ 92,432,384	\$ 21,135,092	\$ -	\$ 113,567,476	\$ 11,567
Esmeralda ²	77	728,570	39	\$ 728,610	\$ 1,209,106	\$ -	\$ 1,937,715	\$ 25,037
Eureka ²	324	3,050,371	115	\$ 3,050,486	\$ 2,660,838	\$ -	\$ 5,711,324	\$ 17,626
Humboldt	3,186	29,991,052	740	\$ 29,991,792	\$ 6,724,770	\$ -	\$ 36,716,562	\$ 11,525
Lander	1,004	9,450,447	283	\$ 9,450,730	\$ 4,598,530	\$ -	\$ 14,049,259	\$ 13,995
Lincoln	884	8,321,025	305	\$ 8,321,330	\$ 6,821,597	\$ -	\$ 15,142,927	\$ 17,132
Lyon	9,045	85,149,950	2,094	\$ 85,152,044	\$ 18,760,531	\$ -	\$ 103,912,574	\$ 11,488
Mineral	568	5,347,138	186	\$ 5,347,323	\$ 3,861,175	\$ -	\$ 9,208,499	\$ 16,212
Nye	5,595	52,666,533	1,297	\$ 52,667,830	\$ 11,695,514	\$ -	\$ 64,363,345	\$ 11,505
Pershing	661	6,220,940	202	\$ 6,221,142	\$ 3,798,650	\$ -	\$ 10,019,792	\$ 15,163
Storey ²	413	3,892,368	142	\$ 3,892,510	\$ 3,149,974	\$ -	\$ 7,042,484	\$ 17,033
Washoe	60,608	570,562,773	11,851	\$ 570,574,624	\$ 17,656,460	\$ -	\$ 588,231,084	\$ 9,705
White Pine	1,261	11,867,709	377	\$ 11,868,087	\$ 6,866,676	\$ -	\$ 18,734,762	\$ 14,861
University School	162	650,245,959	31	\$ 1,527,033	\$ -	\$ -	\$ 1,527,033	\$ 9,414
Charter Schools ³	69,072	1,527,003	13,146	\$ 650,259,105	\$ 2,243,711	\$ -	\$ 652,502,816	\$ 9,447
¹ Base per pupil funding may not balance to the statewide average per pupil amount multiplied by projected enrollment due to rounding and the possible distribution of minor residual base funding.								
² Although the calculated adjusted base per pupil funding amount is provided for this school district, it was determined the school district received more funding in FY 2020. Therefore, this school district was placed on the hold harmless provisions pursuant to NRS 387.121(3) and provided funding equivalent to the per pupil amount provided in FY 2020 rather than the calculated amount.								
³ Data for charter schools reflects all charter schools combined.								

Payments from the Pupil-Centered Funding Plan to School Districts and Charter Schools:
The adjusted base per pupil funding amount is established for each school district and charter school (by county) in the K-12 Education Funding Bill (Senate Bill 503 of the 2023 Legislative Session) and then multiplied by a school district's or charter school's official enrollment for apportionment purposes (Average Daily Enrollment) on a monthly basis. Pursuant to NRS 387.1223, enrollment is reported quarterly by each school district and charter school on or before October 1, January 1, April 1, and July 1 for the immediately preceding quarter of the school year. The number of disabled three- and

four-year-old children and the number of children enrolled in half-day kindergarten are multiplied by 60.0% and added to the total number of all other children who are enrolled in full-day kindergarten through Grade 12, net of transfers, to derive the total weighted apportionment enrollment.

Nevada Revised Statutes 387.1223 allows school districts and charter schools with current enrollment less than or equal to 95.0% of the prior school year's enrollment to utilize the enrollment number from the same quarter from the immediately preceding school year for purposes of apportioning funding from the Pupil-Centered Funding Plan. It should be noted that this hold harmless provision does not apply to school districts or charter schools that deliberately cause a decline in the enrollment by eliminating grade levels, moving into smaller facilities, or other means.

Weighted Funding for English Learner, At-Risk, and Gifted and Talented Pupils:

As required by NRS 387.1214(2)(e), the 2023 Legislature approved funding for English learner, at-risk, and gifted and talented pupils. Audited October 1, 2022, enrollment counts were used to determine the weighted funding that would be allocated to pupils in FY 2024 and FY 2025. However, the 2023 Legislature approved the use of October 1 audited enrollment counts for use in the following fiscal year (i.e., October 1, 2022, counts would be utilized to update the weighted funding that would be provided in FY 2025). In addition, the 2023 Legislature changed the definition of at-risk students from the use of eligibility for free or reduced-priced lunch to pupils identified as most in need of additional services and assistance to graduate based on one or more measures prescribed by the State Board. Currently, the infinite campus grad score is utilized to determine which students fall within the bottom 20% and are considered at-risk. Furthermore, the 2023 Legislature approved the use of unduplicated enrollment counts for these pupils, with those pupils receiving special education funding excluded from the count since special education funding would provide a greater level of additional funding than the weighted funding.

The weighted funding provided in total and on a statewide, average basis is reflected in Table 3:

Table 3: Weighed Funding Approved by the 2023 Legislature

Weighted Funding Approved by the 2023 Legislature Under the Pupil-Centered Funding Plan								
Weighted Category	FY 2024				FY 2025			
	Total Funding	Projected Number of Pupils *	Average Per Pupil Amount	Weight Based on Statewide Base Per Pupil Amount of \$8,966	Total Funding	Projected Number of Pupils *	Average Per Pupil Amount	Weight Based on Statewide Base Per Pupil Amount of \$9,414
English Learner	\$ 212,534,769	52,678	\$ 4,035	0.45	\$ 223,153,735	52,678	\$ 4,236	0.45
At-Risk	\$ 198,666,203	63,325	\$ 3,137	0.35	\$ 208,593,011	63,325	\$ 3,294	0.35
Gifted and Talented	\$ 7,992,928	7,434	\$ 1,075	0.12	\$ 8,392,360	7,434	\$ 1,129	0.12

* Projections are unduplicated and reflect a pupil only receiving the highest weight he/she is eligible to receive.

FY 2020 Baseline Provisions Under the Pupil-Centered Funding Plan

Three school districts (Esmeralda, Eureka, and Storey) were determined to have received more funding on a per pupil basis in FY 2020 than they would have received under the Pupil-Centered Funding Plan. Therefore, consistent with the legislative intent provided by NRS 387.121(3), those school districts were instead provided with a reasonably similar level of weighted funding that the school district received in FY 2020.

Total Funding Approved for the Pupil-Centered Funding Plan by the 2023 Legislature: Table 4 provides the total funding approved for the Pupil-Centered Funding Plan by the 2023 Legislature for each school district, university school for profoundly gifted pupils, and all charter schools combined.

***Table 4: Funding Approved for the Pupil-Centered Funding Plan
for the 2023-25 Biennium***

FY 2024: Funding Approved for the Pupil-Centered Funding Plan by the 2023 Legislature										
	Designation	Adjusted Base Funding	Per Pupil Amount	English Learners	At-Risk	Gifted and Talented	Transportation	Food Services	Local Special Education Funding	Total Funding
Carson	PCFP	\$ 69,354,353	\$ 9,632	\$ 2,900,920	\$ 906,902	\$ 414,225	\$ 2,582,131	\$ 416,102	\$ 6,412,805	\$ 82,987,438
Churchill	PCFP	\$ 32,412,553	\$ 10,157	\$ 447,847	\$ 555,438	\$ -	\$ 1,651,859	\$ 12,479	\$ 1,636,353	\$ 36,716,530
Clark	PCFP	\$ 2,652,144,340	\$ 9,045	\$ 151,832,282	\$ 165,294,594	\$ 4,890,007	\$ 140,675,061	\$ -	\$ 383,891,970	\$ 3,498,728,253
Douglas	PCFP	\$ 52,140,440	\$ 10,094	\$ 681,857	\$ 536,610	\$ 49,492	\$ 3,883,247	\$ -	\$ 4,007,059	\$ 61,298,705
Elko	PCFP	\$ 108,066,137	\$ 11,017	\$ 2,731,464	\$ 1,980,121	\$ 104,363	\$ 4,699,832	\$ 383,534	\$ 5,045,055	\$ 123,010,506
Esmeralda	FY 2020 Baseline	\$ 2,412,440	\$ 31,203	\$ 17,401	\$ 8,386	\$ -	\$ 327,997	\$ 49,201	\$ 44,545	\$ 2,859,970
Eureka	FY 2020 Baseline	\$ 11,668,622	\$ 36,047	\$ 10,213	\$ 1,198	\$ -	\$ 433,529	\$ 398,552	\$ 199,664	\$ 12,711,779
Humboldt	PCFP	\$ 34,941,947	\$ 10,979	\$ 819,036	\$ 254,184	\$ -	\$ 2,014,575	\$ 19,058	\$ 2,354,507	\$ 40,403,307
Lander	PCFP	\$ 13,369,747	\$ 13,331	\$ 133,144	\$ 307,531	\$ -	\$ 413,257	\$ 24,958	\$ 1,051,226	\$ 15,299,863
Lincoln	PCFP	\$ 14,409,741	\$ 16,319	\$ 24,208	\$ 134,937	\$ -	\$ 621,973	\$ 60,218	\$ 327,164	\$ 15,578,241
Lyon	PCFP	\$ 98,878,684	\$ 10,943	\$ 1,956,810	\$ 1,650,624	\$ -	\$ 5,007,439	\$ -	\$ 9,566,849	\$ 117,060,405
Mineral	PCFP	\$ 8,762,721	\$ 15,443	\$ 137,178	\$ 163,180	\$ -	\$ 315,517	\$ 158,758	\$ 215,303	\$ 9,752,656
Nye	PCFP	\$ 61,240,590	\$ 10,957	\$ 1,307,229	\$ 1,408,993	\$ -	\$ 4,261,136	\$ -	\$ 8,300,972	\$ 76,518,919
Pershing	PCFP	\$ 9,535,124	\$ 14,444	\$ 92,797	\$ 122,385	\$ -	\$ 799,076	\$ 25,182	\$ 456,047	\$ 11,030,611
Storey	FY 2020 Baseline	\$ 10,069,468	\$ 24,378	\$ 13,777	\$ 13,777	\$ -	\$ 546,455	\$ 22,963	\$ 54,956	\$ 10,721,396
Washoe	PCFP	\$ 559,671,267	\$ 9,243	\$ 27,137,115	\$ 15,414,190	\$ 1,354,569	\$ 23,700,907	\$ -	\$ 44,859,802	\$ 672,137,851
White Pine	PCFP	\$ 17,828,315	\$ 14,156	\$ 60,520	\$ 342,049	\$ -	\$ 1,216,700	\$ 48,713	\$ 598,608	\$ 20,094,906
University School	PCFP	\$ 1,452,874	\$ 8,966	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,452,874
Charter Schools (All)	PCFP	\$ 620,816,641	\$ 8,997	\$ 22,230,970	\$ 9,571,107	\$ 1,180,272	\$ -	\$ -	\$ 14,758,608	\$ 668,557,600
Totals:		\$ 4,379,176,004		\$ 212,534,769	\$ 198,666,203	\$ 7,992,928	\$ 193,150,692	\$ 1,619,718	\$ 483,781,493	\$ 5,476,921,809
FY 2025: Funding Approved for the Pupil-Centered Funding Plan by the 2023 Legislature										
	Designation	Adjusted Base Funding	Per Pupil Amount	English Learners	At-Risk	Gifted and Talented	Transportation	Food Services	Local Special Education Funding	Total Funding
Carson	PCFP	\$ 72,893,595	\$ 10,114	\$ 3,045,888	\$ 952,222	\$ 434,925	\$ 2,582,627	\$ 416,182	\$ 6,414,035	\$ 86,739,474
Churchill	PCFP	\$ 34,058,558	\$ 10,662	\$ 470,227	\$ 583,195	\$ -	\$ 1,652,176	\$ 12,482	\$ 1,636,667	\$ 38,413,305
Clark	PCFP	\$ 2,787,499,284	\$ 9,497	\$ 159,419,816	\$ 173,554,882	\$ 5,134,375	\$ 140,702,048	\$ -	\$ 383,965,616	\$ 3,650,276,021
Douglas	PCFP	\$ 54,800,651	\$ 10,598	\$ 715,932	\$ 563,426	\$ 51,965	\$ 3,883,992	\$ -	\$ 4,007,828	\$ 64,023,794
Elko	PCFP	\$ 113,567,476	\$ 11,567	\$ 2,867,964	\$ 2,079,074	\$ 109,579	\$ 4,700,733	\$ 383,608	\$ 5,046,023	\$ 128,754,456
Esmeralda	FY 2020 Baseline	\$ 2,415,763	\$ 31,214	\$ 17,404	\$ 8,387	\$ -	\$ 328,060	\$ 49,211	\$ 44,554	\$ 2,863,379
Eureka	FY 2020 Baseline	\$ 11,683,576	\$ 36,057	\$ 10,215	\$ 1,198	\$ -	\$ 433,612	\$ 398,629	\$ 199,702	\$ 12,726,933
Humboldt	PCFP	\$ 36,716,562	\$ 11,525	\$ 859,966	\$ 266,886	\$ -	\$ 2,014,961	\$ 19,062	\$ 2,354,959	\$ 42,232,395
Lander	PCFP	\$ 14,049,259	\$ 13,995	\$ 139,797	\$ 322,899	\$ -	\$ 413,337	\$ 24,963	\$ 1,051,427	\$ 16,001,682
Lincoln	PCFP	\$ 15,142,927	\$ 17,132	\$ 25,418	\$ 141,680	\$ -	\$ 622,092	\$ 60,230	\$ 327,227	\$ 16,319,574
Lyon	PCFP	\$ 103,912,574	\$ 11,488	\$ 2,054,597	\$ 1,733,111	\$ -	\$ 5,008,400	\$ -	\$ 9,568,684	\$ 122,277,366
Mineral	PCFP	\$ 9,208,499	\$ 16,212	\$ 144,034	\$ 171,334	\$ -	\$ 315,578	\$ 158,788	\$ 215,344	\$ 10,213,577
Nye	PCFP	\$ 64,363,345	\$ 11,505	\$ 1,372,556	\$ 1,479,404	\$ -	\$ 4,261,953	\$ -	\$ 8,302,564	\$ 79,779,823
Pershing	PCFP	\$ 10,019,792	\$ 15,163	\$ 97,435	\$ 128,501	\$ -	\$ 799,229	\$ 25,187	\$ 456,135	\$ 11,526,278
Storey	FY 2020 Baseline	\$ 10,082,124	\$ 24,384	\$ 13,779	\$ 13,779	\$ -	\$ 546,560	\$ 22,968	\$ 54,966	\$ 10,734,177
Washoe	PCFP	\$ 588,231,084	\$ 9,705	\$ 28,493,242	\$ 16,184,485	\$ 1,422,262	\$ 23,705,454	\$ -	\$ 44,868,408	\$ 702,904,934
White Pine	PCFP	\$ 18,734,762	\$ 14,861	\$ 63,544	\$ 359,143	\$ -	\$ 1,216,933	\$ 48,723	\$ 598,723	\$ 21,021,828
University School	PCFP	\$ 1,527,033	\$ 9,414	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,527,033
Charter Schools (All)	PCFP	\$ 652,502,816	\$ 9,447	\$ 23,341,921	\$ 10,049,406	\$ 1,239,255	\$ -	\$ -	\$ 14,761,440	\$ 701,894,836
Totals:		\$ 4,601,409,680		\$ 223,153,736	\$ 208,593,012	\$ 8,392,361	\$ 193,187,746	\$ 1,620,031	\$ 483,874,302	\$ 5,720,230,864
<i>Totals may not balance due to rounding.</i>										

Special Education Funding

In addition to the funding provided through the Pupil-Centered Funding Plan, funding for pupils with disabilities (i.e., special education pupils) is provided to each school district and charter school. State funding for pupils with disabilities is distributed proportionally to each school district and charter school largely based upon the number of students with a disability, not to exceed 13.0% of the total pupil enrollment for the school district or charter school as required by NRS 387.122. The 2023 Legislature approved General Fund appropriations of \$244.2 million in FY 2024 and \$251.3 million in FY 2025 to provide support for pupils with disabilities. As previously noted, pupils with disabilities who belong to weighted pupil categories, such as, English learner, at-risk, and gifted and talented pupils, are not eligible to receive weighted funding for these categories since they receive a greater level of funding through the special education program.

The 2023 Legislature also approved additional funding of \$1.5 million in each year of the 2023-25 biennium to be distributed to those school districts and charter schools that exceed the 13.0% funding cap for special education. Pursuant to NRS 387.122, school districts and charter schools with enrollment of students with disabilities that exceed 13.0% of the total student enrollment receive one-half of the additional funding that is provided by the state for students with disabilities for those students that exceed the 13.0% threshold.

In addition, the 2023 Legislature approved funding of \$2.0 million in each year of the 2023-25 biennium for the Special Education Contingency program to reimburse school districts and charter schools for extraordinary program expenses and related services for pupils with significant disabilities.

Other State and Federal Funding

In addition to revenue received under the Pupil-Centered Funding Plan, school districts and charter schools may receive “categorical” funds from the state, federal government, and private organizations that may only be expended for designated purposes. Examples of these categorical programs include the special education and career and technical education programs.

Examples of federally-funded programs include the Title I program for disadvantaged pupils, Every Student Succeeds Act, and Individuals with Disabilities Education Act. Categorical funds must be accounted for separately in special revenue funds by school districts and charter schools. Funding for capital projects, which may be generated by the sale of general obligation bonds, “pay-as-you-go” tax levies, Governmental Services Tax, fees imposed on the construction of new residential units, or the Room Tax and Real Property Transfer Tax in Clark County, are also accounted for in separate funds (Capital Projects Fund, Debt Service Fund).

V. Statewide Average Per Pupil Funding Legislatively Approved for the 2023-25 Biennium

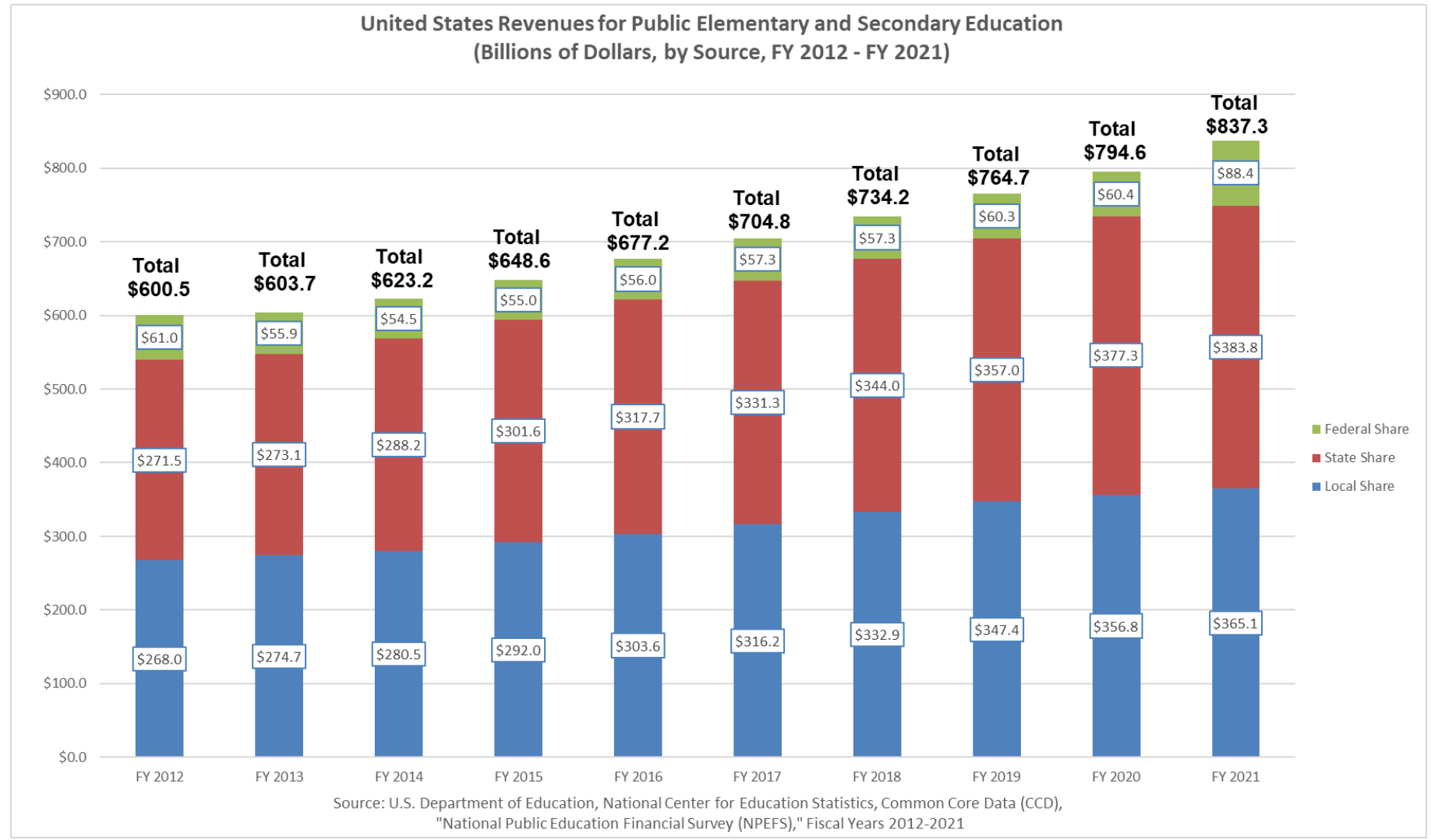
Inclusive of funding approved for the Pupil-Centered Funding Plan, K-12 categorical programs, and federal programs (excluding one-time federal funding to address the COVID-19 pandemic), the 2023 Legislature approved total funding for K-12 education of \$6.081 billion in FY 2024 and \$6.315 billion in FY 2025. Dividing this amount by the legislatively approved projected enrollment of 471,283 in FY 2024 and 471,754 in FY 2025, the 2023 Legislature approved average per pupil funding amounts of \$12,904 in FY 2024 and \$13,387 in FY 2025 as detailed in Table 5.

Table 5: All K-12 Funding Approved by the 2023 Legislature

Funding Approved by the 2023 Legislature for K-12 Education from State and Federal Sources																							
	FY 2024	FY 2025																					
Pupil-Centered Funding Plan Adjusted Base	\$4,379,176,006	\$4,601,409,680																					
Pupil-Centered Funding Plan Tiers (Food Service, Transportation, Local Special Education Funding)	\$678,551,903	\$678,682,078																					
Pupil-Centered Funding Plan Weighted Populations	\$419,193,900	\$440,139,106																					
State Categorical Programs	\$306,362,454	\$297,786,527																					
Federal Funding	\$297,929,309	\$297,437,693																					
Total	\$6,081,213,572	\$6,315,455,084																					
Projected Enrollment	471,283	471,754																					
Funding Approved by the 2023 Legislature on a Per Pupil Basis																							
	FY 2024	FY 2025																					
Pupil-Centered Funding Plan Adjusted Base	\$9,292	\$9,754																					
Pupil-Centered Funding Plan Tiers	\$1,440	\$1,439																					
Pupil-Centered Funding Plan Weights	\$889	\$933																					
State Categorical Programs	\$650	\$631																					
Federal Funding	\$632	\$630																					
Total Per Pupil Funding	\$12,904	\$13,387																					
State and Federal Funding for Nevada School Districts/Charter Schools as Approved by the 2023 Legislature <table border="1"> <thead> <tr> <th></th> <th>FY 2024</th> <th>FY 2025</th> </tr> </thead> <tbody> <tr> <td>Federal Funding</td> <td>\$632</td> <td>\$630</td> </tr> <tr> <td>State Categorical Programs</td> <td>\$650</td> <td>\$631</td> </tr> <tr> <td>Pupil-Centered Funding Plan Weights</td> <td>\$889</td> <td>\$933</td> </tr> <tr> <td>Pupil-Centered Funding Plan Tiers</td> <td>\$1,440</td> <td>\$1,439</td> </tr> <tr> <td>Pupil-Centered Funding Plan Adjusted Base</td> <td>\$9,292</td> <td>\$9,754</td> </tr> <tr> <td>Total</td> <td>\$12,904</td> <td>\$13,387</td> </tr> </tbody> </table>				FY 2024	FY 2025	Federal Funding	\$632	\$630	State Categorical Programs	\$650	\$631	Pupil-Centered Funding Plan Weights	\$889	\$933	Pupil-Centered Funding Plan Tiers	\$1,440	\$1,439	Pupil-Centered Funding Plan Adjusted Base	\$9,292	\$9,754	Total	\$12,904	\$13,387
	FY 2024	FY 2025																					
Federal Funding	\$632	\$630																					
State Categorical Programs	\$650	\$631																					
Pupil-Centered Funding Plan Weights	\$889	\$933																					
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Pupil-Centered Funding Plan Adjusted Base	\$9,292	\$9,754																					
Total	\$12,904	\$13,387																					

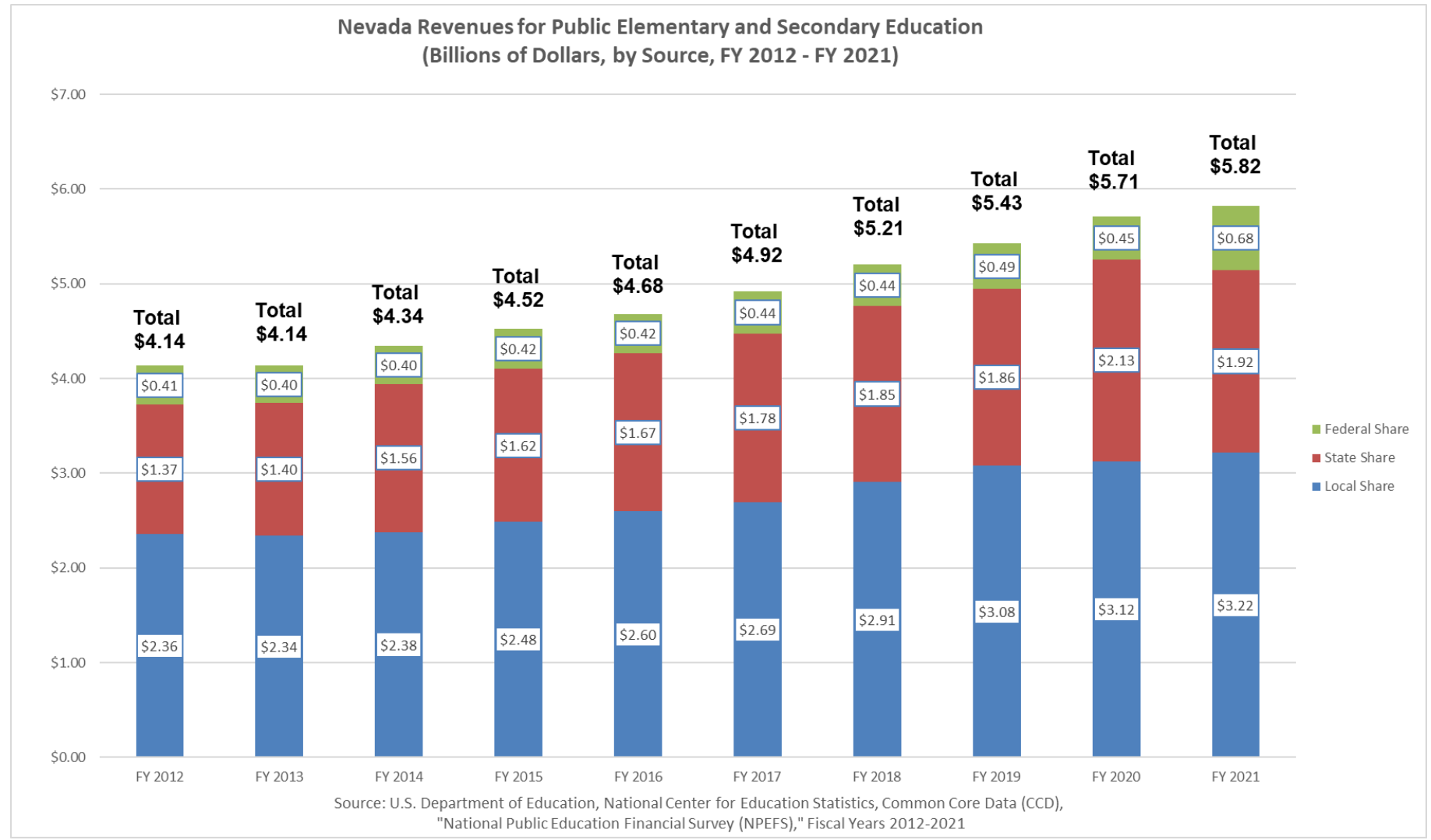
Note: Excludes pre-K funding, adult education funding, and federal grants received directly by school districts/charter schools. Amounts provided differ from the amounts provided in Sections 1 and 2 of S.B. 503 (2023) due to the inclusion of K-12 categorical funding approved in the final days of the 2023 Legislative Session.

APPENDIX A



Note: Totals may not balance due to rounding.

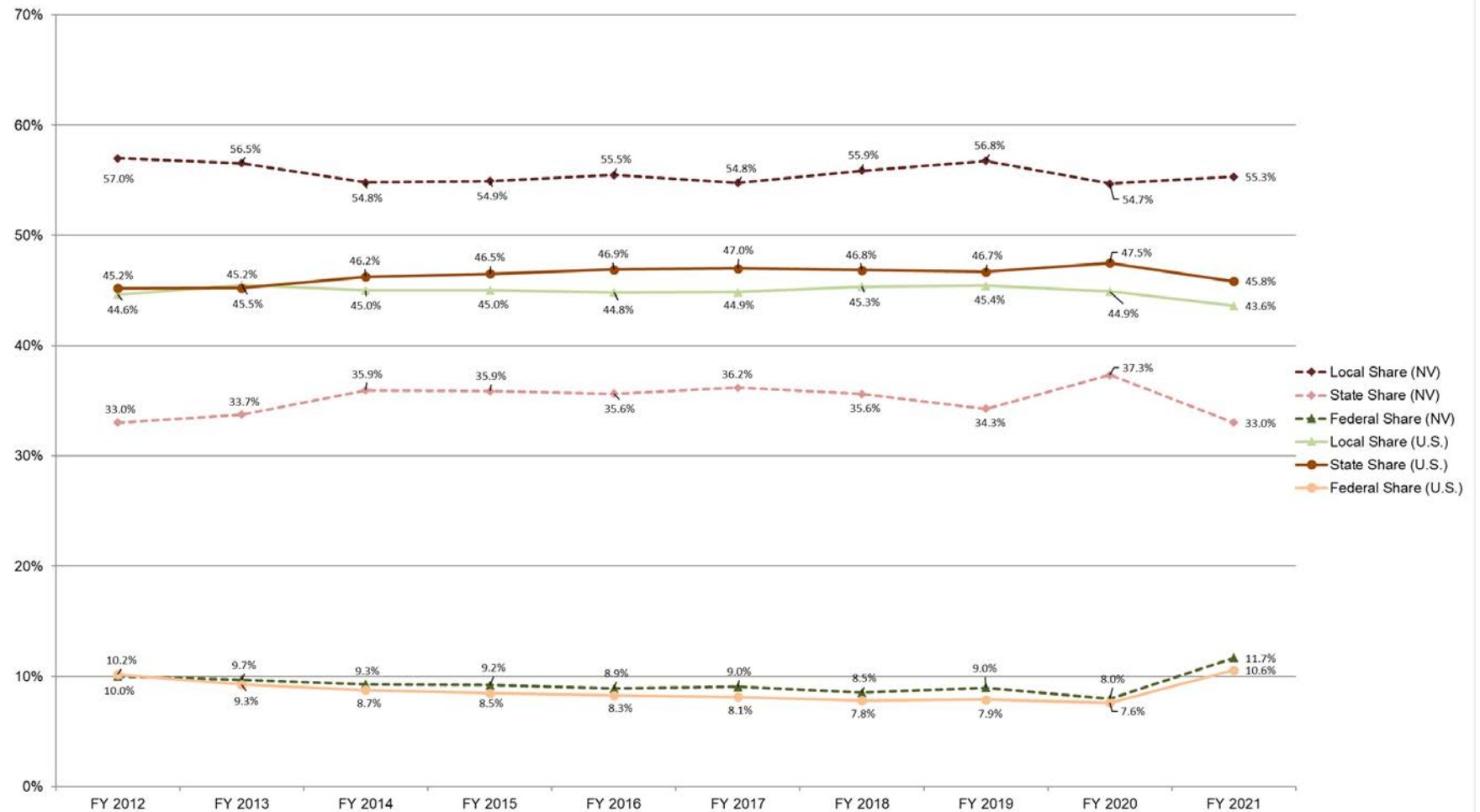
APPENDIX B



Note: Totals may not balance due to rounding.

APPENDIX C

Percentage Distribution of Revenues for Public Elementary and Secondary Education in the United States and Nevada, FY 2012 - FY 2021



Source: U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD), "National Public Education Financial Survey (NPEFS)", Fiscal Years 2012-2021

Note: Percentages may not total to 100% due to rounding.