

The Committee to Study a New Method For Funding Public Schools in Nevada

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Education Commission of the States

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Outline

- ▶ Is there a need for a new formula?
- ▶ How does Nevada's school funding system compare to other states?
- ▶ How do other states address issues around special student populations or districts with unique needs?
- ▶ Other funding issues (Transportation, capital costs, charters large districts)



Nevada

	1967	2011
Student Population	110,000	438,338
Expenditures Per Student	\$827	\$8,089
Teacher Salaries	\$7,375	\$51,524
Classroom Teachers	16,300	22,104
High School Graduates <i>(25 yrs and older)</i>	53.3%	83.7%
College Graduates <i>(25 yrs and older)</i>	8.3%	21.4%

Source: National Center for Education Statistics

Free/Reduced price lunch students in Nevada 2009-10: 136,877

State Funding Formulas

- ▶ **First Generation**
 - Flat grant per student

- ▶ **Second Generation**
 - Equalization formulas
 - Position allocation systems

- ▶ **Third Generation**
 - Foundation formulas

- ▶ **Fourth Generation**
 - Having the funding follow the child



State Funding Formulas

- ▶ Teacher Allocation (6 states)
- ▶ District Power Equalization (3 states)
- ▶ Foundation/Base Formula (33 states)
- ▶ Combination of formulas (7 states)
- ▶ Other - Hawaii



High-Need Students

- ▶ Students with special needs (Special Education, At-risk or ELL) can receive funding in two ways:
 - Inside the state's funding formula – by providing an additional weight to students
 - Outside the state's funding formula – through the use of “categorical” funding programs



Funding High-Need Students

- ▶ **At-risk funding**
 - 34 states provide additional funding for at-risk students
- ▶ **English Language Learners**
 - 37 states provide additional funding for ELL students
- ▶ **Special Education**
 - 49 states provide additional funding for special education students



At-Risk Funding

- ▶ How are students identified
 - Most states use free/reduced price lunch
 - Students not achieving standards
 - Other identifiers like pregnant students
- ▶ How are they funded
 - Within the state funding formula as a weight
 - Flat grants (\$200 – North Carolina)
 - Variable grants (\$2,285 to \$2,831 – Massachusetts)
- ▶ Density matters



Special Education Funding

- ▶ Forty-nine states provide additional funding for special education (R.I. is the exception)
 - Within the primary formula (21)
 - Outside of the primary formula:
 - Cost Reimbursement (10)
 - Instructional Units (6)
 - Census based (5)
 - Other (14)



Funding Transportation

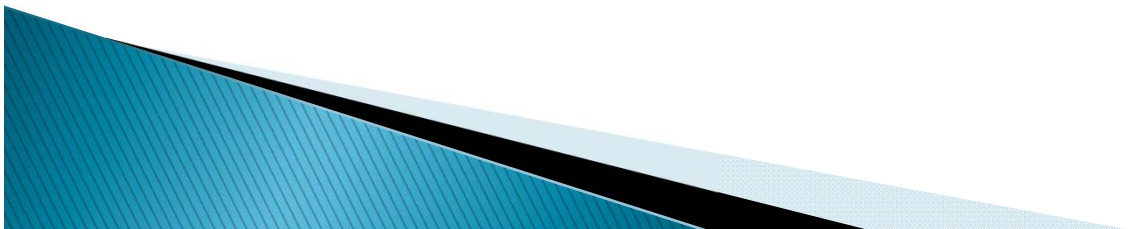
- ▶ Allowable reimbursement (16 states) – The state reimburses districts for a percentage of allowable transportation expenses
- ▶ Density formulas (9 states) – The states fund districts based on the number of district students per square mile
- ▶ Per pupil (5 states) – The state provides funding to each district based on a set amount per pupil
- ▶ Full reimbursement (5 states) – The state reimburses each district the full cost of allowable transportation expenses
- ▶ Equalized reimbursements (3 states) – The state provides reimbursement that is equalized based on a districts relative wealth



Funding Capital Expenses

Twelve states provide no funding – the remaining 38 states provide funding in the following manner:

- Approved project grants (14 states)
- Equalized project grants (10 states)
- Equalized debt service (6 states)
- State bond guarantees (5 states)
- Subsidized loans to school districts (4 states)
- Debt service grants to school districts (2 states)



Funding Charter Schools

- ▶ States vary greatly when it comes to funding charter schools
 - Full state funding (Michigan)
 - Full district funding (Arizona)
 - Phased-in district funding (New York)
 - District funding with allowable admin costs



Large Districts

- ▶ Some states have found that they cannot address the needs of their largest districts through the state's funding formula:
 - Illinois: Chicago
 - Michigan: Detroit
 - Pennsylvania: Philadelphia & Pittsburgh
 - New York: Five largest districts



Recent State School Funding Studies

- ▶ California (2007)
- ▶ New Mexico (2008)
- ▶ North Carolina (2010)
- ▶ Vermont (2012)



Questions

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