Description of the Formula

Foundation program based on weighted apportionment student count. This weights students for pre-K and K at 60%. State pays for Nevada resident students wherever educated, but not out-of-state students, hence funding adds in students being educated in adjoining states but deducts student counts of non-resident students. Basic aid in 2011 is $5,192. Funding ranges from $5,179 to $18,799 and differences based on relative costs (licensed staffing costs, classified staffing, operating and equipment expenses on per student basis), relative transportation costs, and relative wealth adjustment for local tax receipts. Guaranteed consists of state portion and two local taxes, the 1/3 public schools operating property tax (PSOPT) or 0.25/$100 AV) and the 2.25% of sales taxes referred to as the local school support tax (LSST). The state portion makes up for any shortfalls in the two local taxes. Wealth adjustment is based on “outside” revenues of 2/3 PSOPT (0.50/$100 AV), governmental services tax, franchise fees, and unrestricted federal revenues.

District-Based Components

Density/Sparsity of Small Schools
Guarantee is based on number of school district attendance areas in which educational services must be provided due to distances involved. This constitutes adjustment for rural and urban area characteristics.

Grade Level Differences
Kindergarten pupils weighted 0.6; all other pupils weighted 1.0. Supplemental funding is provided for grades K and 1-3 through a class-size reduction program. These funds totaled over $145 million in FY2011 and required the funding of 2,163 CSR teacher positions to reduce class sizes in these grades.
Pupil Weights for District/School Size
Accommodation provided within the funding formula to account for more rural school districts with highly dispersed student population through attendance area concept of necessary schools.

Declining Enrollment or Growth
Payments are guaranteed on a “hold harmless” statute which pays school districts and charter schools for highest enrollment over three latest years.

Capital Outlay and/or Debt Service
Bonded indebtedness may not exceed 15% of assessed valuation.

Transportation
Transportation allowance is based on relative transportation costs among school districts on a per student basis after subtracting the statewide average amounts. After subtraction, districts with positive numbers receive that additional per student revenues while districts with negative numbers receive that per student deduction to their final basic support per student.

Student-Based Components

Special Education
Allocations of special education funding vary widely among school district based primarily on needs and applications. Funding support is set in terms of number of regular and discretionary units, with each unit valued at $39,768 for 2011. Students per unit range from a low of 47.6 in Pershing County School District to a high of 155.4 students per unit in Clark County School District.

Compensatory Education
Does not apply.

English Language Learner/Bilingual Education
Does not apply.

Gifted and Talented Education
Does not apply.

Revenue and Expenditure Information

State Mandates Restricting Revenue or Expenditure Increases
Does not apply.

Property Assessment Ratios Used/Legal Standards for Property Assessment
With 2005 Legislature and tax caps on property taxes (A.B. 489 and S.B. 525), funding calculations have switched from an assessed valuation to a revenue figure, termed the public schools operating property tax (PSOPT which are the total property tax receipts by school districts based on the capping (3% for owner occupied; 8% commercial or rental; 0% for new of their property tax receipts). Of these total receipts, 2/3 (the former $0.50 property tax on
assessed valuations PSOPT constitutes the “outside” revenues without any guarantee by the State on their receipt. The other 1/3 PSOPT is part of the guarantee and the State makes up for any shortfall in this amount).

**Measure of Local Ability To Support Schools**
Yield from 2.25% local school support tax (LSST), 1/3 PSOPT, 2/3 PSOPT, governmental services tax (old MVPT), franchise fees, unrestricted federal revenues.)

**School District Budget and Tax Rate Procedures/Sources of Local Revenue**
All 17 school district are virtually totally dependent on the State government to set tax rates and, in terms of sales taxes, collect and distribute proceeds. Local school districts, other than bond sales voted upon by the local population, have no taxing authority to determine taxes or set rates.

**State Support for Nonpublic Schools**
Does not apply.