

Application for Initial Funding under the State Fiscal Stabilization Fund Program

**CFDA Numbers: 84.394 (Education Stabilization Fund) and
84.397 (Government Services Fund)**



**U.S. Department of Education
Washington, D.C. 20202**

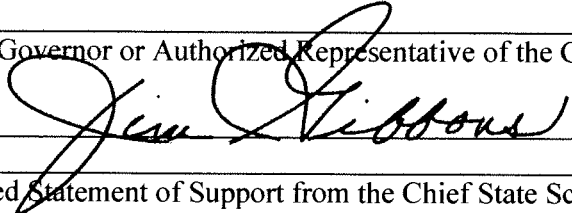
**OMB Number: 1810-0690
Expiration Date: 9/30/2009**

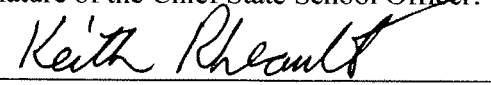
Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0690. The time required to complete this information collection is estimated to average 17 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: State Fiscal Stabilization Fund Program, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Ave., S.W., Room 3E108, Washington, D.C. 20202-3118

STATE FISCAL STABILIZATION FUND APPLICATION

**PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)**

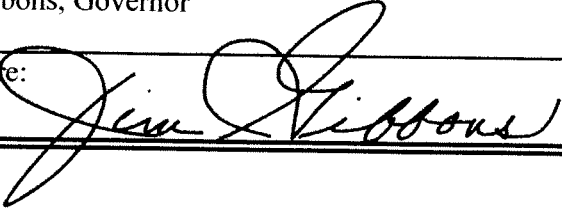
Legal Name of Applicant (Office of the Governor): Nevada Office of the Governor	Applicant's Mailing Address: 101 N. Carson Street Carson City, Nevada 89701
State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: Andrew Clinger Position and Office: Director, Department of Administration Contact's Mailing Address: 209 E. Musser Street, Room 200 Carson City, Nevada 89701-4298 Telephone: (775) 684-0222 Fax: (775) 684-0260 E-mail address: aclinger@budget.state.nv.us	State Contact for the Government Services Fund (CFDA No. 84.397) <i>(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)</i> Name: Same Position and Office: Contact's Mailing Address: Telephone: Fax: E-mail address:
To the best of my knowledge and belief, all of the information and data in this application are true and correct.	
Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	Telephone: (775) 684-5670
Signature of Governor or Authorized Representative of the Governor: 	Date: April 28, 2009

Recommended Statement of Support from the Chief State School Officer <i>(Optional)</i> : The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.	
Chief State School Officer (Printed Name): Dr. Keith Rheault, Superintendent of Public Instruction	Telephone: (775) 687-9217
Signature of the Chief State School Officer: 	Date: April 28, 2009

PART 2: EDUCATION REFORM ASSURANCES

The Governor or his/her authorized representative assures the following:

- (1) The State will take actions to improve teacher effectiveness and comply with section 1111(b)(8)(C) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) (20 U.S.C. 6311(b)(8)(C)) in order to address inequities in the distribution of highly qualified teachers between high- and low-poverty schools, and to ensure that low-income and minority children are not taught at higher rates than other children by inexperienced, unqualified, or out-of-field teachers. (*Achieving Equity in Teacher Distribution Assurance*)
- (2) The State will establish a longitudinal data system that includes the elements described in section 6401(e)(2)(D) of the America COMPETES Act (20 U.S.C. 9871(e)(2)(D)). (*Improving Collection and Use of Data Assurance*)
- (3) The State will –
 - (3.1) Enhance the quality of the academic assessments it administers pursuant to section 1111(b)(3) of the ESEA (20 U.S.C. 6311(b)(3)) through activities such as those described in section 6112(a) of the ESEA (20 U.S.C. 7301a(a)); (*Improving Assessments Assurance*)
 - (3.2) Comply with the requirements of paragraphs (3)(C)(ix) and (6) of section 1111(b) of the ESEA (20 U.S.C. 6311(b)) and section 612(a)(16) of the Individuals with Disabilities Education Act (IDEA) (20 U.S.C. 1412(a)(16)) related to the inclusion of children with disabilities and limited English proficient students in State assessments, the development of valid and reliable assessments for those students, and the provision of accommodations that enable their participation in State assessments; (*Inclusion Assurance*) and
 - (3.3) Take steps to improve State academic content standards and student academic achievement standards consistent with section 6401(e)(1)(A)(ii) of the America COMPETES Act. (*Improving Standards Assurance*)
- (4) The State will ensure compliance with the requirements of section 1116(b)(7)(C)(iv) and section 1116(b)(8)(B) of the ESEA with respect to schools identified under these sections. (*Supporting Struggling Schools Assurance*)

Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	
Signature: 	Date: April 28, 2009

PART 3: INITIAL BASELINE DATA FOR EDUCATION REFORM ASSURANCES

SPECIAL NOTES:

- In completing this portion of the application, please refer to Appendix B – Instructions for Part 3: Initial Baseline Data for Education Reform Assurances.
- The data described in Appendix B for two of the education reform assurances in Part 2 of the application – the Improving Assessments Assurance and the Improving Standards Assurance – are the most current available baseline data for these areas. Thus, the Department is not inviting States to submit additional information with respect to these two assurances.
- The Governor or his/her authorized representative should confirm whether the initial baseline data sources described in Appendix B for the four assurances referenced below – Achieving Equity in Teacher Distribution; Improving Collection and Use of Data; Improving State Academic Content and Student Achievement Standards; and Supporting Struggling Schools – reflect the State’s current status with respect to these assurances. A State that confirms the use of these initial baseline data sources does not have to submit additional baseline data with this application. If a State elects not to use the identified data sources for one or more of these four assurances, it must submit other initial baseline data for that assurance.

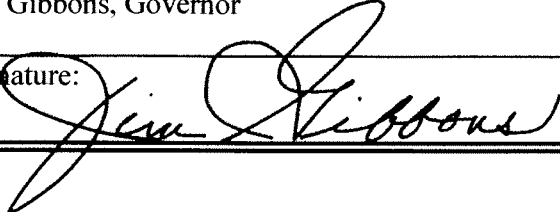
The Governor or his/her authorized representative confirms that the data sources that are currently available to the Department and described in Appendix B are a reasonable reflection of the current status of the State with respect to the following education reform assurances that he/she provided in Part 2 of the Application (*check only those assurances for which the State accepts the data described in Appendix B*):

Achieving Equity in Teacher Distribution Assurance.

Improving Collection and Use of Data Assurance.

Improving Standards Assurance.

Supporting Struggling Schools Assurance.

Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	
Signature: 	Date: April 28, 2009

PART 4, SECTION A: MAINTENANCE-OF-EFFORT (MOE) ASSURANCE

SPECIAL NOTES:

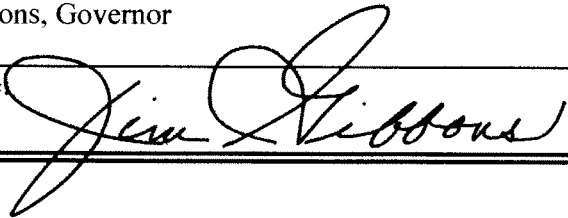
- In completing Part 4 of the application, please refer to Appendix C – Instructions for Part 4: Maintenance of Effort.
- The Governor or his/her authorized representative should check only those MOE requirements that he or she anticipates the State will meet. If the Governor or his/her authorized representative anticipates that the State will be unable to meet one or more of the requirements, he or she must sign the additional waiver assurance in Part 4, Section B.
- For the purpose of determining MOE, State support for public institutions of higher education (IHEs) must not include support for capital projects or for research and development or tuition and fees paid by students.

The Governor or his/her authorized representative assures the following (*check appropriate assurances that apply*):

- In FY 2009, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- In FY 2010, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- In FY 2011, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- In FY 2009, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.
- In FY 2010, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.
- In FY 2011, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.

---OR---

To the best of his/her knowledge and based on the best available data, the State will be unable to meet any of the above-referenced maintenance-of-effort requirements.

Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	
Signature: 	Date: April 28, 2009

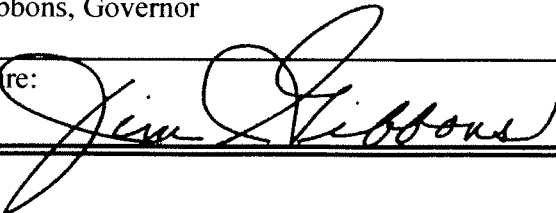
PART 4, SECTION B: MAINTENANCE-OF-EFFORT WAIVER ASSURANCE

SPECIAL NOTES:

- If a State anticipates that it will be unable to comply with one or more of the Stabilization program MOE requirements referenced in Part 4, Section A of the application, the State must provide the assurance below.
- States that anticipate meeting all of the Stabilization program MOE requirements should not complete the waiver assurance in this section of the application. *See Appendix C – Instructions for Part 4: Maintenance of Effort. The criterion for a waiver of the MOE requirements is provided in Appendix C.*
- The Department will be providing additional guidance to States regarding the process for applying for waivers of the Stabilization program MOE requirements.

The Governor or his/her authorized representative assures the following:

To the best of his/her knowledge and based on the best available data, the State meets or will meet the eligibility criterion for a MOE waiver for each of the Stabilization program MOE requirements that the Governor or his/her authorized representative anticipates the State will be unable to meet.

Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	
Signature: 	Date: April 28, 2009

PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

SPECIAL NOTES:

- A State has some flexibility in determining the “levels of State support” for MOE purposes. For example, for the purpose of the elementary and secondary education MOE requirements, a State may use the level of support that the State provides through its primary elementary and secondary funding formulae, or it may use other relevant data. *See* Appendix C – Instructions for Part 4: Maintenance of Effort.

1. Levels of State support for elementary and secondary education (*the amounts may reflect the levels of State support on either an aggregate basis or a per-student basis*):

FY 2006	<u>\$1,825,490,361</u>
FY 2009*	<u>\$2,204,121,828</u>
FY 2010*	<u>\$2,081,892,392</u>
FY 2011*	<u>\$2,101,271,218</u>

(* Provide data to the extent that data are currently available.)

2. Levels of State support for public institutions of higher education (*enter amounts for each year*):

FY 2006	<u>\$542,176,038</u>
FY 2009*	<u>\$587,367,689</u>
FY 2010*	<u>\$420,964,775</u>
FY 2011*	<u>\$417,286,033</u>

(* Provide data to the extent that data are currently available.)

3. Additional Submission Requirements: In an attachment to the application –

- (a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; - and – **SEE ATTACHMENT 1**
- (b) Identify and describe the data sources used in determining the levels of State support for public IHEs. **SEE ATTACHMENT 1**

PART 5, SECTION A: STATE USES OF THE EDUCATION STABILIZATION FUND

SPECIAL NOTES:

- Section A of Part 5 requests data on the Education Stabilization Fund (CFDA No. 84.394). In completing this portion of the application, please refer to Appendix D – Instructions for Part 5: State Uses of Funds.
- At a later date, the Department will collect data on the levels of State support for elementary, secondary, and postsecondary education in FY 2011.
- These data may differ from the data in the levels of support for maintenance-of-effort purposes. *See* instructions in Appendix D.
- The term “postsecondary education” refers to public IHEs.

1. Levels of State Support for Elementary, Secondary, and Postsecondary Education

Provide the following data on the levels of State support for elementary, secondary, and postsecondary education:

- | | |
|---|--|
| (a) Level of State support for elementary and secondary education in FY 2008 provided through the State’s primary elementary and secondary education funding formulae | <u>\$2,145,298,287</u> |
| (b) Level of State support for public IHEs in FY 2008 | <u>\$619,820,315</u> |
| (c) Level of State support for elementary and secondary education in FY 2009 provided through the State’s primary elementary and secondary education funding formulae | Prior Enacted: <u>\$2,204,121,828</u>
Projected: <u>\$2,064,495,722</u> |
| (d) Level of State support for public IHEs in FY 2009 | <u>\$625,517,044</u> |
| (e) Level of State support for elementary and secondary education in FY 2010 provided through the State’s primary elementary and secondary education funding formulae | <u>\$2,081,892,392</u> |
| (f) Level of State support for public IHEs in FY 2010 | <u>\$424,763,208</u> |

Additional Information: Did the State, prior to October 1, 2008, approve formula increases to support elementary and secondary education in FY 2010 or 2011, or to phase in State equity and adequacy adjustments?*

Yes No

* *See* Appendix D Worksheets for further guidance on how such increases affect a State’s “use of funds” calculations.

2. State’s Primary Education Funding Formulae

Additional Submission Requirement: In an attachment to the application, identify and describe each of the State’s primary elementary and secondary education funding formulae that were used in determining the calculations provided above for the levels of State support for elementary and secondary education. **SEE ATTACHMENT 2**

3. Data on State Support for Postsecondary Education

Additional Submission Requirement: In an attachment to the application, identify and describe the specific State data sources that were used in determining the calculations provided above for the levels of State support for public IHEs. **SEE ATTACHMENT 2**

4. Restoration Amounts

Based on the Worksheets included in Appendix D, calculate and provide the amount of Education Stabilization funds that the State will use to restore the levels of State support for elementary, secondary, and postsecondary education in FYs 2009 and 2010. As explained in the Instructions in Appendix D, a State must determine the amount of funds needed to restore fully the levels of State support for elementary, secondary, and postsecondary education in FY 2009 before determining the amount of funds available to restore the levels of such support in FY 2010.

SPECIAL NOTES:	
○	At a later date, the Department will collect data on the amount of funds, if any, that remain available to (1) restore the levels of State support for elementary, secondary, and postsecondary education in FY 2011, and (2) award subgrants to local educational agencies (LEAs) based on their proportionate shares of funding under Part A of Title I of the ESEA.
○	The calculations for these data must be based on the State’s total Education Stabilization Fund allocation as reflected in Appendix A and not on the State’s initial Education Stabilization Fund award.
○	Although the State must follow the Instructions in Appendix D, in order to determine the amount of funds that LEAs and IHEs will receive under the program (i.e., the “restoration amounts”), the Governor has discretion in determining when to release these funds to LEAs and IHEs.

- (a) Amount of the State’s total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2009 **\$139,626,106**
- (b) Amount of the State’s total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2009 **\$0**

Restoration Amounts (continued)

- (c) Amount of the State’s total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2010 **\$69,927,419**
- (d) Amount of the State’s total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2010 **\$114,851,203**
- (e) Amount of funds, if any, remaining after restoring State support for elementary, secondary, and postsecondary education in FY 2009 and FY 2010 **\$0**

5. Process for Awarding Funds to Public IHEs

Additional Submission Requirement: In an attachment to the application, describe the process that the State will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore the levels of State support for these institutions. **SEE ATTACHMENT 2**

**PART 5, SECTION B: STATE USES OF THE
GOVERNMENT SERVICES FUND**

SPECIAL NOTES:

- Section B of Part 5 requests data on the Government Services Fund (CFDA No. 84.397).
- In this section, provide preliminary estimates of the percentage of the Government Services Fund that the State intends to spend under various broad categories (to the extent such estimates are available). The total percentages in the chart should equal 100 percent.
- To the extent such estimates are available, the estimated percentages must be based on the State’s total Government Services Fund allocation and not on the State’s initial Government Services Fund award.

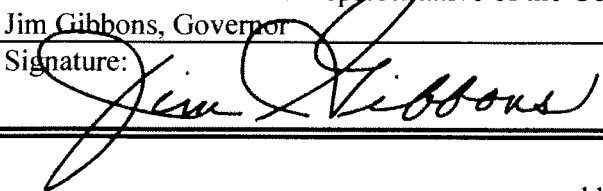
Uses of the Government Services Fund

Category	Estimated Percentage of Funds to Be Used
Public Safety	
Elementary and secondary education (excluding modernization, renovation, or repair of public school facilities)	
Public IHEs (excluding modernization, renovation, or repair of IHEs)	
Modernization, renovation, or repair of public school facilities	
Modernization, renovation, or repair of IHEs	
Medicaid	
Public assistance	
Transportation	
Other (please describe)	
Undetermined	100%
TOTAL	100%

**PART 6: ACCOUNTABILITY, TRANSPARENCY, AND
REPORTING ASSURANCES**

The Governor or his/her authorized representative assures that the State will comply with all of the accountability, transparency, and reporting requirements that apply to the Stabilization program, including the following:

- For each year of the program, the State will submit a report to the Secretary, at such time and in such manner as the Secretary may require, that describes:
 - the uses of funds within the State;
 - how the State distributed the funds it received;
 - the number of jobs that the Governor estimates were saved or created with the funds;
 - tax increases that the Governor estimates were averted because of the funds;
 - the State's progress in reducing inequities in the distribution of highly qualified teachers, implementing a State longitudinal data system, and developing and implementing valid and reliable assessments for limited English proficient students and children with disabilities;
 - the tuition and fee increases for in-State students imposed by public IHEs and a description of any actions taken by the State to limit the increases;
 - the extent to which public IHEs maintained, increased, or decreased enrollment of in-State students, including those students eligible for Pell Grants or other need-based financial aid; and
 - a description of each modernization, renovation or repair project funded, including the amounts awarded and project costs. (ARRA Division A, Section 14008)
- The State will cooperate with any Comptroller General evaluation of the uses of funds and the impact of funding on the progress made toward closing achievement gaps. (ARRA Division A, Section 14009)
- If the State uses funds for any infrastructure investment, the State will certify that the investment received the full review and vetting required by law and that the chief executive accepts responsibility that the investment is an appropriate use of taxpayer funds. This certification will include a description of the investment, the estimated total cost, and the amount of covered funds to be used. The certification will be posted on the State's website and linked to www.Recovery.gov. A State or local agency may not use funds under the ARRA for infrastructure investment funding unless this certification is made and posted. (ARRA Division A, Section 1511)
- The State will submit reports, within 10 days after the end of each calendar quarter, that contain the information required under section 1512(c) of the ARRA in accordance with any guidance issued by Office of Management and Budget or the Department. (ARRA Division A, Section 1512(c))
- The State will cooperate with any Inspector General examination of records under the program. (ARRA Division A, Section 1515)

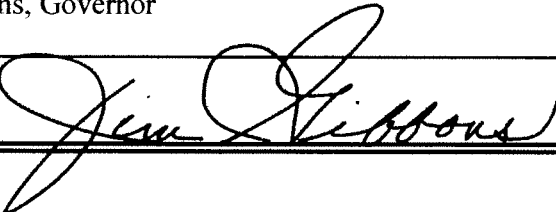
Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	
Signature: 	Date: April 28, 2009

PART 7: OTHER ASSURANCES AND CERTIFICATIONS

The Governor or his/her authorized representative assures or certifies the following:

- The State will comply with all applicable assurances in OMB Standard Forms 424B and D (Assurances for Non-Construction and Construction Programs), including the assurances relating to the legal authority to apply for assistance; access to records; conflict of interest; merit systems; nondiscrimination; Hatch Act provisions; labor standards; flood hazards; historic preservation; protection of human subjects; animal welfare; lead-based paint; Single Audit Act; and the general agreement to comply with all applicable Federal laws, executive orders and regulations.
- With respect to the certification regarding lobbying in Department Form 80-0013, no Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making or renewal of Federal grants under this program; the State will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," when required (34 C.F.R. Part 82, Appendix B); and the State will require the full certification, as set forth in 34 C.F.R. Part 82, Appendix A, in the award documents for all subawards at all tiers.
- The State will comply with all of the operational and administrative provisions in Title XV and XIV of the ARRA, including Buy American Requirements (ARRA Division A, Section 1605), Wage Rate Requirements (ARRA Division A, Section 1606), and any applicable environmental impact requirements of the National Environmental Policy Act of 1970 (NEPA), as amended, (42 U.S.C. 4371 et seq.) (ARRA Division A, Section 1609). In using ARRA funds for infrastructure investment recipients will comply with the requirement regarding Preferences for Quick Start Activities (ARRA Division A, Section 1602).
- Any LEA receiving funding under this program will have on file with the State a set of assurances that meets the requirements of section 442 of the General Education Provisions Act (GEPA) (20 U.S.C. 1232e).
- To the extent applicable, an LEA will include in its local application a description of how the LEA will comply with the requirements of section 427 of GEPA (20 U.S.C. 1228a). The description must include information on the steps the LEA proposes to take to permit students, teachers, and other program beneficiaries to overcome barriers (including barriers based on gender, race, color, national origin, disability, and age) that impede access to, or participation in, the program.

- The State and other entities will comply with the following provisions of Education Department General Administrative Regulations (EDGAR), as applicable: 34 CFR Part 74 -- Administration of Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations; 34 CFR Part 76 -- State-Administered Programs, including the construction requirements in section 75.600 through 75.617 that are incorporated by reference in section 76.600; 34 CFR Part 77 -- Definitions that Apply to Department Regulations; 34 CFR Part 80 -- Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, including the procurement provisions; 34 CFR Part 81 -- General Education Provisions Act—Enforcement; 34 CFR Part 82 -- New Restrictions on Lobbying; 34 CFR Part 85 -- Governmentwide Debarment and Suspension (Nonprocurement).

Governor or Authorized Representative of the Governor (Printed Name): Jim Gibbons, Governor	
Signature: 	Date: April 28, 2009

**Appendices to the
Application for Initial Funding under the
State Fiscal Stabilization Fund Program**

**WORKSHEETS FOR PART 5, SECTION A: STATE USES OF EDUCATION
STABILIZATION FUNDS - CALCULATING THE RESTORATION AMOUNTS
(CFDA No. 84.394)**

SPECIAL NOTES:

- **The calculations in the worksheets and the data provided in Section A of Part 5 of the application must be based on each State’s total Education Stabilization Fund allocation as reflected in Appendix A and not on the amount of the State’s initial Education Stabilization Fund award.**
- **The term “postsecondary education” means public higher education.**

WORKSHEET 1-A: Calculating the amount of a State’s total Education Fund allocation to be used to restore the level of State support for elementary, secondary, and postsecondary education in FY 2009

Line	Information	Amount
1.	Amount of the State’s total Education Stabilization Fund allocation.	\$324,404,728
2.	Either the actual amount of State funds that the State provided through its primary elementary and secondary education funding formulae in FY 2008, or a prior-enacted amount of State funds that the State provided or will provide through its primary elementary and secondary education funding formulae in FY 2009.	\$2,204,121,828
3.	Either the actual amount of State support for public institutions of higher education (IHEs) in FY 2008 or a prior-enacted amount of State support for public IHEs in FY 2009.	\$625,517,044
4.	Actual or projected amount of State funds that the State provided or will provide through its primary elementary and secondary education funding formulae in FY 2009.	\$2,064,495,722
5.	Actual or projected amount of State support for public IHEs in FY 2009.	\$625,517,044
6.	If the amount on Line 4 is greater than the amount on Line 2, enter 0; if the amount on Line 2 is greater than the amount on Line 4, enter the difference.	\$139,626,106
7.	If the amount on Line 5 is greater than the amount on Line 3, enter 0; if the amount on Line 3 is greater than the amount on Line 5, enter the difference.	\$0
8.	Enter the sum of the amounts on Line 6 and Line 7. This is the amount of funds needed to restore fully the levels of State support for elementary, secondary, and postsecondary education in FY 2009. If the amount on Line 8 is greater than the amount on Line 1, <i>see Worksheet 1-B for FY 2009 Shortfall calculation and do not complete lines 9, 10, 11, and 12.</i>	\$139,626,106
9.	If the amount on Line 1 is greater than the amount on Line 8, enter the amount from Line 6. This is the amount of funds from the State’s total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2009. (<i>Enter this amount in Part A of Section 5 of the Application.</i>)	\$139,626,106

10.	If the amount on Line 1 is greater than the amount on Line 8, enter the amount from Line 7. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for postsecondary education in FY 2009. <i>(Enter this amount in Part A of Section 5 of the Application.)</i>	\$0
11.	Enter the sum of the amounts on Line 9 and Line 10. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary, secondary, and postsecondary education in FY 2009.	\$139,626,106
12.	Enter amount obtained by subtracting the amount on Line 11 from the amount on Line 1. This is the amount of the State's total Education Stabilization Fund allocation remaining to restore State support for education in FY 2010. (This amount is carried over to Line 1 of Worksheet 2-A or Worksheet 2-B.)	\$184,778,622

**WORKSHEETS FOR PART 5, SECTION A: STATE USES OF EDUCATION
STABILIZATION FUNDS - CALCULATING THE RESTORATION
AMOUNTS**

WORKSHEET 2-A: Calculating the amount of a State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary, secondary, and postsecondary education in FY 2010 if the State did not enact, prior to October 1, 2008, elementary and secondary education formula increases for FY 2010 or State equity and adequacy adjustments

Line	Information	Amount
1.	Amount of the State's total Education Stabilization Fund allocation remaining after restoring the level of State support for education in FY 2009 (Enter the amount on Line 12 of Worksheet 1-A).	\$184,778,622
2.	Enter the greater of (1) either the actual amount of State funds that the State provided through its primary elementary and secondary education funding formulae in FY 2008 or a prior-enacted amount of State funds that the State provided or will provide through its primary elementary and secondary education funding formulae in FY 2009 or (2) actual or projected amount of State funds that the State provided or will provide through its primary elementary and secondary education funding formulae in FY 2009. (i.e., Enter the greater of the amounts on Lines 2 and 4 of Worksheet 1-A).	\$2,204,121,828
3.	Enter the greater of (1) either the actual amount of State support for public institutions of higher education (IHEs) in FY 2008 or a prior-enacted amount of State support for public IHEs in FY 2009 or (2) actual or projected amount of State support for public IHEs in FY 2009 the amounts of State support for public institutions of higher education (IHEs) in FY 2008 and FY 2009. (i.e., Enter the greater of the amounts on Lines 3 and 5 of Worksheet 1-A).	\$625,517,044
4.	Projected amount that the State will provide through its primary elementary and secondary education funding formulae in FY 2010.	\$2,081,892,392
5.	Projected amount of State support for public IHEs in FY 2010.	\$424,763,208
6.	If the amount on Line 4 is greater than the amount on Line 2, enter 0; if the amount on Line 2 is greater than the amount on Line 4, enter the difference.	\$122,229,436
7.	If the amount on Line 5 is greater than the amount on Line 3, enter 0; if the amount on Line 3 is greater than the amount on Line 5, enter the difference.	\$200,753,836
8.	Enter the sum of the amounts on Line 6 and Line 7. This is the amount of funds needed to restore fully the levels of State support for elementary, secondary, and postsecondary education in FY 2010. If the amount on Line 8 is greater than the amount on Line 1, see Worksheet 2-C for Shortfall calculations and do not complete lines 9, 10, 11 and 12.	\$322,983,272
9.	If the amount on Line 1 is greater than the amount on Line 8, enter the amount from Line 6. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2010. <i>(Enter this amount in Part A of Section 5 of the Application.)</i>	\$0
10.	If the amount on Line 1 is greater than the amount on Line 8, enter the amount from Line 7. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for postsecondary education in FY 2010. <i>(Enter this amount in Part A of Section 5 of the Application.)</i>	\$0
11.	Enter the sum of the amounts on Line 9 and Line 10. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary, secondary, and postsecondary education in FY 2010.	\$0
12.	Enter the amount obtained by subtracting the amount on Line 11 from the amount on Line 1. This is the amount of the State's total Education Stabilization Fund allocation remaining to restore the levels of State support for education in FY 2011. (This amount is carried over to Line 1 of Worksheet 3-A or 3-B.)	\$184,778,622

**WORKSHEETS FOR PART 5, SECTION A: STATE USES OF EDUCATION
STABILIZATION FUNDS - CALCULATING THE RESTORATION AMOUNTS**

WORKSHEET 2-C: Shortfall Calculations for FY 2010 in cases in which the State did not enact, prior to October 1, 2008, elementary and secondary education formula increases for FY 2010 or State equity and adequacy

Line	Information	Amount
1.	Amount of the State's total Education Stabilization Fund allocation remaining after restoring the level of State support for education in FY 2009 (Enter the amount on Line 1 of Worksheet 2-A).	\$184,778,622
2.	Total amount of shortfall in FY 2010 (Enter the amount on Line 8 of Worksheet 2-A).	\$322,983,272
3.	Amount of shortfall in State support for elementary and secondary education (Enter the amount on Line 6 of Worksheet 2-A).	\$122,229,436
4.	Amount of shortfall in State support for public IHEs (Enter the amount on Line 7 of Worksheet 2-A).	\$200,753,836
5.	Enter the amount obtained by dividing the amount on Line 3 by the amount on Line 2.	0.37844
6.	Enter the amount obtained by dividing the amount on Line 4 by the amount on Line 2.	0.62156
7.	Enter the amount obtained by multiplying the amount on Line 5 by the amount on Line 1. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2010. <i>(Enter this amount in Part A of Section 5 of the Application.)</i>	\$69,927,419
8.	Enter the amount obtained by multiplying the amount on Line 6 by the amount on Line 1. This is the amount of funds from the State's total Education Stabilization Fund allocation to be used to restore the level of State support for postsecondary education in FY 2010. <i>(Enter this amount in Part A of Section 5 of the Application.)</i>	\$114,851,203

ATTACHMENT 1

PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

3) Additional Submission Requirements: In an attachment to the application –

- (a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; -and-
(b) Identify and describe the data sources used in determining the levels of State support for public IHEs.**

- a) The primary source of data used for determining the level of State support for elementary and secondary education is the approved Distributive School Account document which is based upon the NRS (Nevada Revised Statutes) 387.303 Revenue and Expenditure reports prepared and submitted each year by all school districts and charter schools in Nevada. State funding for elementary and secondary education is based upon base year actual expenditures with adjustments for enrollment growth, inflation for operating expenditures, Cost of Living Adjustments for salaries and benefits, changes in fringe benefit rates and step and column increases (estimated at 2% per year). Nevada has a biennial budget process so the fiscal year 2008 and 2009 budgets approved by the Legislature were based upon the 2006 actual expenditure reports with additions for the adjustments listed above.

The primary funding formulae includes three basic program components: Basic Support; Special Education; and Class-size Reduction.

- 1) Basic Support - The basic support guarantee is defined in Nevada Revised Statutes (NRS) 387.122 as "...the basic support guarantee per pupil for each school district and the basic support guarantee for each special education program unit maintained and operated during at least 9 months of a school year are established by law for each school year." This provides the guaranteed level of support per pupil.
- 2) Special Education - The funding for special education is a per unit rate with the number of units determined by the projected enrollments. The rate per unit is determined by law for each school year. A "special education program unit means an organized unit of special education and related services which includes full-time services of persons licensed by the Superintendent of Public Instruction or other appropriate licensing body, providing a program of instruction in accordance with minimum standards prescribed by the State Board."
- 3) Class-size Reduction – Class-size reduction funding is provided to bring the class size in grades K-3 to the following ratios:
 - i. Kindergarten (at-risk schools) funding for 23.5 additional teachers in at risk schools
 - ii. 1st grade 16 to 1
 - iii. 2nd grade 16 to 1
 - iv. 3rd grade 19 to 1

Statutory authority is NRS 387.123

The State support is determined by taking the total of basic support, special education and class-size reduction and subtracting the portion funded by Federal Mineral Lease revenues and the Public School Operating Property Tax (PSOPT) to come to total state support. State support revenues consist of the Local School Support Tax (a portion of the

state sales tax rate), interest earned on the State Permanent School Fund, a portion of the State Slot Tax revenues, Estate Tax revenues, prior year adjustments and General Fund Appropriations.

For State Fiscal Year (SFY) 2006 the amounts come from the 2007-2009 Legislatively Approved Distributive School Account (DSA) workbook which includes the approved report of revenues and expenditures for all districts and charter schools for SFY 2006.

For SFY 2008 the amounts come from the 2009-2011 Governor Recommends DSA workbook which includes the approved report of revenues and expenditures for all districts and charter schools for SFY 2008.

For SFY 2009 the amounts come from the 2009 Governor Recommends DSA workbook request for a supplemental appropriation for SFY 2009 to cover a shortfall in revenues for the basic support guarantee. This was submitted to the 2009 Legislature (AB 533) and includes the estimate of revenues and distributions to school districts and charter schools for SFY 2009.

For SFY 2010 and SFY 2011 the amounts come from the Governor Recommends DSA workbook submitted with the Governor Recommends Budget to the 2009 Legislature.

- b) The primary data source used in determining the levels of State support for public IHEs for SFY 2006, SFY 2008 and SFY 2009 is the Legislatively approved appropriation less funding for research, less unexpended funds reverted to the General Fund and for SFY 2008 and SFY 2009 approved budget reductions. For SFY 2010 and SFY 2011 the primary data source used is the General Fund appropriations included in the Governor Recommends budget for higher education submitted to the 2009 Legislature (also less funding for research).

ATTACHMENT 2

PART 5, SECTION A: STATE USES OF THE EDUCATION STABILIZATION FUND

2) State's Primary Education Funding Formulae

Additional Submission Requirement: In an attachment to the application, identify and describe each of the State's primary elementary and secondary education funding formulae that were used in determining the calculations provided above for the levels of State support for elementary and secondary education.

The primary funding formulae used for determining the level of State support for elementary and secondary education is the approved Distributive School Account document which is based upon the NRS (Nevada Revised Statutes) 387.303 Revenue and Expenditure reports prepared and submitted each year by all school districts and charter schools in Nevada. State funding for elementary and secondary education is based upon base year actual expenditures with adjustments for enrollment growth, inflation for operating expenditures, Cost of Living Adjustments for salaries and benefits, changes in fringe benefit rates and step and column increases (estimated at 2% per year). Nevada has a biennial budget process so the fiscal year 2008 and 2009 budgets approved by the Legislature were based upon the 2006 actual expenditure reports with additions for the adjustments listed above.

The primary funding formulae includes three basic program components: Basic Support; Special Education; and Class-size Reduction.

- 4) Basic Support - The basic support guarantee is defined in Nevada Revised Statutes (NRS) 387.122 as "...the basic support guarantee per pupil for each school district and the basic support guarantee for each special education program unit maintained and operated during at least 9 months of a school year are established by law for each school year." This provides the guaranteed level of support per pupil.
- 5) Special Education - The funding for special education is a per unit rate with the number of units determined by the projected enrollments. The rate per unit is determined by law for each school year. A "special education program unit means an organized unit of special education and related services which includes full-time services of persons licensed by the Superintendent of Public Instruction or other appropriate licensing body, providing a program of instruction in accordance with minimum standards prescribed by the State Board."
- 6) Class-size Reduction – Class-size reduction funding is provided to bring the class size in grades K-3 to the following ratios:
 - i. Kindergarten (at-risk schools) funding for 23.5 additional teachers in at risk schools
 - ii. 1st grade 16 to 1
 - iii. 2nd grade 16 to 1
 - iv. 3rd grade 19 to 1

Statutory authority is NRS 387.123

The State support is determined by taking the total of basic support, special education and class-size reduction and subtracting the portion funded by Federal Mineral Lease revenues and the Public School Operating Property Tax (PSOPT) to come to total state support. State support revenues consist of the Local School Support Tax (a portion of the

state sales tax rate), interest earned on the State Permanent School Fund, a portion of the State Slot Tax revenues, Estate Tax revenues, prior year adjustments and General Fund Appropriations.

3) **Data on State Support for Post Secondary Education**

Additional Submission Requirement: In an attachment to the application, identify and describe the specific data sources used in determining the calculations provided for the levels of State support for public IHEs.

The specific data sources used in determining the levels of State support for public IHEs for SFY 2008 and SFY 2009 is the Legislatively approved appropriation (2007 Appropriations Report) less unexpended funds reverted to the General Fund and approved budget reductions. For SFY 2010 and SFY 2011 the primary data source used is the General Fund appropriations included in the Governor Recommends budget for higher education submitted to the 2009 Legislature.

5) **Process for Awarding Funds to Public IHEs**

Additional Submission Requirement: In an attachment to the application, describe the process that the state will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore levels of State support for these institutions.

The funding will be provided directly to the individual public institutions in the Nevada System of Higher Education through the legislatively approved funding formula and as authorized in the State Authorizations Act.

State of Nevada
Schedule of State Support for
Elementary and Secondary Education
Fiscal Years 2006, 2008 - 2011

	Actual		Prior Enacted FY 2009	Projected FY 2009	Governor Recommends	
	FY 2006	FY 2008			FY 2010	FY 2011
State Support						
General Fund Appropriations						
Regular Appropriations	\$ 849,687,448	\$1,041,362,589	\$1,090,795,262	\$1,090,795,262	\$1,094,032,376	\$1,083,021,083
SB 5, 25th Special Session	-	-	(47,995,713)	(47,995,713)	-	-
SB 166 Sec. 3.5, 2007 Regular Session	-	18,078	18,798	18,798	-	-
Supplemental Appropriations	-	-	323,802,183	323,802,183	-	-
Appropriations Transferred	(97,244,558)	85,874,930	(85,874,930)	(85,874,930)	-	-
Appropriation Reserve for Reversion	-	(22,253,203)	-	(128,608,406)	-	-
Reversion of unspent funds	(91,201)	-	-	-	-	-
Total General Fund Appropriations	\$ 752,351,689	\$1,105,002,394	\$1,280,745,600	\$1,152,137,194	\$1,094,032,376	\$1,083,021,083
Dedicated State Revenues						
Local School Support Tax	\$1,081,214,352	\$1,047,328,217	\$ 943,454,801	\$ 932,437,101	\$ 960,482,271	\$ 990,424,415
Local School Share of Slot Tax	36,757,113	34,945,244	35,494,480	35,494,480	36,173,569	36,571,479
Prior Year Refunds	91,201	6,687,926	35,787	35,787	-	-
Estate Tax	3,335,978	3,981	-	-	100	100
Permanent School Fund	8,281,185	14,063,745	13,100,000	13,100,000	14,631,920	14,924,558
Other	163,688	-	1,754,260	1,754,260	-	-
Balance Forward unspent funds	-	(5,313,518)	30,691	30,691	-	-
Total Dedicated State Revenues	\$1,129,843,517	\$1,097,715,595	\$ 993,870,019	\$ 982,852,319	\$1,011,287,860	\$1,041,920,552
Categorical Funding						
High Impact Retirement Credit	\$ (18,118,592)	\$ (17,629,058)	\$ (31,070,767)	\$ (31,070,767)	\$ -	\$ -
Remediation Trust Fund	(6,818,788)	-	-	-	-	-
Regional Professional Development	(10,329,114)	(13,089,638)	(11,938,010)	(11,938,010)	-	-
Adult Education	(18,430,209)	(21,302,940)	(22,438,700)	(22,438,700)	(18,271,796)	(18,477,399)
Early Childhood Education	(3,032,172)	(3,208,584)	(3,315,646)	(3,315,646)	(3,364,984)	(3,397,066)
Other Categorical Funding	24,030	(2,189,482)	(1,730,668)	(1,730,668)	(1,791,064)	(1,795,953)
Total Categorical Funding	\$ (56,704,845)	\$ (57,419,702)	\$ (70,493,791)	\$ (70,493,791)	\$ (23,427,844)	\$ (23,670,418)
Total State Support	\$1,825,490,361	\$2,145,298,287	\$2,204,121,828	\$2,064,495,722	\$2,081,892,392	\$2,101,271,217

State of Nevada
Schedule of State Support for
Elementary and Secondary Education
Fiscal Years 2006, 2008 - 2011

	Actual		Prior Enacted FY 2009	Projected FY 2009	Governor Recommends	
	FY 2006	FY 2008			FY 2010	FY 2011
State Expenditures						
Primary Funding Formula						
Basic Support	\$1,804,659,376	\$2,145,245,539	\$2,212,704,453	\$2,073,078,347	\$2,115,428,650	\$2,135,607,736
Class Size Reduction	125,552,187	141,209,596	153,710,996	153,710,996	140,023,749	141,141,517
Special Education	97,617,555	111,303,886	121,250,664	121,250,664	111,535,450	112,595,951
Total Primary Funding Formula	<u>\$2,027,829,118</u>	<u>\$2,397,759,021</u>	<u>\$2,487,666,113</u>	<u>\$2,348,040,007</u>	<u>\$2,366,987,849</u>	<u>\$2,389,345,204</u>
Non-State Revenue						
Property Tax	\$ (194,730,572)	\$ (243,790,316)	\$ (262,950,715)	\$ (262,950,715)	\$ (275,897,011)	\$ (278,599,587)
Federal Mineral Land Lease Revenue	(7,608,185)	(8,670,418)	(20,593,570)	(20,593,570)	(9,198,446)	(9,474,399)
Total Non-State Revenue	<u>\$ (202,338,757)</u>	<u>\$ (252,460,734)</u>	<u>\$ (283,544,285)</u>	<u>\$ (283,544,285)</u>	<u>\$ (285,095,457)</u>	<u>\$ (288,073,986)</u>
Total State Expenditures	<u><u>\$1,825,490,361</u></u>	<u><u>\$2,145,298,287</u></u>	<u><u>\$2,204,121,828</u></u>	<u><u>\$2,064,495,722</u></u>	<u><u>\$2,081,892,392</u></u>	<u><u>\$2,101,271,218</u></u>
Net State Support less State Expenditures	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (1)</u></u>

State of Nevada
Schedule of State Support and Maintenance-of-Effort Baseline for
Nevada Institutions of Higher Education (IHEs)
Fiscal Years 2006, 2008 - 2011

	Actual		Projected FY 2009	Governor Recommends	
	FY 2006	FY 2008		FY 2010	FY 2011
Level of State Support					
General Fund Appropriations (<i>less research</i>)	544,343,783	625,425,174	645,669,222	420,964,775	417,286,033
Appropriation to Board of Examiners for Salary					
Increases	9,472,641	10,292,858	33,633,223	-	-
Appropriations for Research	4,220,199	5,207,537	4,516,132	3,798,433	3,798,433
Appropriation Reserve for Reversion	-	(20,445,875)	(58,301,533)	-	-
Reversion of unspent funds	(2,167,745)	(659,379)	-	-	-
Total Level of State Support	555,868,878	619,820,315	625,517,044	424,763,208	421,084,466
Maintenance-of-Effort Level					
General Fund Appropriations (<i>less research</i>)	544,343,783	625,425,174	645,669,222	420,964,775	417,286,033
Appropriation Reserve for Reversion	-	(20,445,875)	(58,301,533)	-	-
Reversion of unspent funds	(2,167,745)	(659,379)	-	-	-
Total Maintenance-of-Effort Level	542,176,038	604,319,920	587,367,689	420,964,775	417,286,033