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Mr. Chairman, members of the committee, my name is Ken Lange, I am Executive Director of the Nevada State Education Association.

We are a speaking today in favor of AB 162.

As representatives for school employees we frequently hear about school district practices that give the appearance that school districts are wasting money and time. Too many administrators, the furniture in the School District administration building is very expensive, why do we need a new curriculum center, the District throws away perfectly good equipment, replacement intervals for equipment are too long or too short, the equipment itself is either too cheap or too

ASSEMBLY EDUCATION

DATE: 3/5/03 ROOM: 3143 EXHIBIT D

SUBMITTED BY: KEN LANGE

D 1/7

expensive, work orders are done according to which school principal has the most pull...the list goes on.

The simple fact of the matter is that some of this is probably accurate and some is probably not. We just don't know. What we do know is that every superintendent and school board in Nevada does what they feel is their very best to stretch tax dollars provided by the public and get a very tough job done. Motive is not at issue here today. Objectivity and information is.

The public has a right to expect that their tax dollars are spent wisely. In that respect, public school educators have the responsibility to inspire confidence that we are consciously working to that end.

D 2/7

Performance audits will work as a tool to help make school expenditures more transparent to the public. A performance audit can help us to identify those practices, policies and procedures that are working and those that aren't. It can help us to identify best practices from other school districts or the private sector that may be more efficient.

Arizona, Utah, Texas, Pennsylvania, Louisiana, Washington and Oregon use performance audits for local governments and in some cases school districts. In 2000 the auditor general of Pennsylvania reported improvements in district operations for the School District of the City of Harrisburg that redirected more than \$3.3 million into the

classroom over a three year period. In 2001, he reported a savings of \$690,000 over a three year period in the Donegal School District after a performance. Both the Washoe County School District and the Clark County School District have engaged in a variety of different performance audits over recent years.

While performance audits as we see them in this particular context tend to primarily review support services, the term is also used to describe the review of student performance as related to school district expenditures. NSEA believes that in many respects, the Nevada Education Reform Act and the implementation of HR1, "No Child Left Behind," essentially replicates many of the aspects contained in that type of audit provisions. There may be very well be

an opportunity in subsequent years, to include all school district functions as a part of the performance audit function. NSEA continues to support and work for increased academic achievement for all of Nevada's public schools students and to the extent that efforts do not become duplicative, we would invite a discussion of those items in the future.

We owe it to the public, to our students, and to school employees to review school district practices that may yield savings or provide the opportunity to redirect money in more efficient ways. So while some school districts may be engaging in certain internal reviews as well as using outside consultants, NSEA believes that the process does not receive the full engagement of all stakeholders in the education

enterprise. Polling has shown that there significant gap between the public's confidence in some of our school districts and what many of us feel to be a pretty good job of managing large enterprises. Our work with the business community over the last two years has revealed a significant disconnect between the language of schools and the language of business. That gap must be bridged especially given the current debate over revenue. As educators, we have an obligation to continue to bring our efforts forward, celebrating success and targeting areas for improvement. On the other hand, the business community has a responsibility to work to understand the unique aspects of the school business and to share their expertise.

To do that, we are proposing as an amendment the establishment of a business advisory group to help guide the audit process. We are also proposing to expanding the number of districts to be audited, further defining the scope of the audit, and recommending that to the extent possible, audits are uniform from district to district, and that individual personnel records remain confidential. I have provided copies of the proposed amendments or your review.

Let me briefly review the items in more detail.