

ASSEMBLY BILL NO. 244—ASSEMBLYMEN CONKLIN,
PARNELL, SMITH AND KIRKPATRICK

MARCH 5, 2007

Referred to Committee on Education

SUMMARY—Revises provisions governing the review of school districts based upon financial management principles. (BDR 34-283)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to education; revising provisions governing the review of school districts based upon certain financial management principles; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law provides that to the extent money is made available by the
2 Legislature, each school district in this State must undergo a review every 6 years
3 to determine whether the school district is successfully carrying out certain
4 financial management principles. (NRS 387.602-387.644) A school district may,
5 under certain circumstances, be exempt from the 6-year review and undergo the
6 review every 12 years. (NRS 387.631, 387.639) Upon completion of the review of
7 a school district, the consultant who conducted the review must submit a
8 preliminary report of the review to the superintendent of schools of the school
9 district for the superintendent to prepare a written response. The preliminary report
10 and the final report must be made available to the general public. (NRS 387.631)
11 This bill revises provisions governing the preliminary report of the review and
12 requires the consultant to submit the preliminary report to the school district rather
13 than the superintendent for preparation of a written response. This bill also makes
14 the preliminary report confidential.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 387.631 is hereby amended to read as follows:
2 387.631 1. The consultant shall complete the review of a
3 school district within 6 months after the date on which the review is



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1 commenced. The consultant shall prepare a final written report of
2 the review that:

3 (a) Is documented by sufficient, competent and relevant
4 evidence to provide a reasonable basis for the findings and
5 conclusions of the consultant.

6 (b) If the consultant determines that the school district is not
7 successfully carrying out the management principles in one or more
8 of the areas set forth in subsection 2 of NRS 387.622, includes a
9 plan for corrective action for the school district to carry out
10 successfully the management principles in each area within 2 years.
11 The plan must:

12 (1) Be logically connected to and substantiated by the results
13 of the review;

14 (2) Be specific and detailed; and

15 (3) Identify methods for the school district to reduce its costs
16 and expenses.

17 (c) Includes the written response of the school district prepared
18 pursuant to subsection 2.

19 2. The consultant shall furnish a copy of the preliminary report
20 of the review to the ~~{superintendent of schools of the}~~ school district
21 and discuss the report with the ~~{superintendent.}~~ **school district.**
22 Within 30 days after receipt of the preliminary report, the
23 ~~{superintendent}~~ **school district** shall ~~{, in consultation with the~~
24 ~~board of trustees of the school district,}~~ prepare a written response to
25 the preliminary report that includes a statement of explanation or
26 rebuttal of any findings contained in the preliminary report. The
27 consultant shall include the written response of the school district in
28 his final written report submitted pursuant to subsection 1.

29 3. The final written report of the consultant must be submitted
30 to the board of trustees of the school district, the State Board, the
31 Legislative Auditor and the Director of the Legislative Counsel
32 Bureau for transmission to the Legislature within 60 days after the
33 review is complete.

34 4. If the consultant determines that a school district is
35 successfully carrying out the management principles for each of the
36 areas set forth in subsection 2 of NRS 387.622, the school district is
37 exempt from its next 6-year review unless the Legislature
38 subsequently determines that the conditions or circumstances
39 occurring within the school district warrant another review pursuant
40 to NRS 387.602 to 387.644, inclusive. If a school district is exempt
41 pursuant to this subsection, the exemption is valid for only one
42 review and the school district must undergo a review at least once
43 every 12 years.

44 5. The preliminary report ~~{and the}~~ **is confidential. The** final
45 report must be made available to the general public.



1 **Sec. 2.** This act becomes effective on July 1, 2007.

