

SENATE BILL NO. 316—SENATORS ROBERSON; GUSTAVSON,
HALSETH, HARDY, KIECKHEFER AND SETTELMAYER

MARCH 21, 2011

Referred to Committee on Finance

SUMMARY—Requires school districts, charter schools and university schools for profoundly gifted pupils to expend a certain percentage of money on direct classroom expenditures. (BDR 34-823)

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; requiring school districts, charter schools and university schools for profoundly gifted pupils to ensure that a certain percentage of money for public schools is expended for direct classroom expenditures; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, the Nevada Plan for School Finance provides for the
2 financial support of the school districts, charter schools and university schools for
3 profoundly gifted pupils. The formula in the Nevada Plan is expressed as: State
4 financial aid to school districts equals the difference between school district basic
5 support guarantee and local available funds produced by mandatory taxes minus all
6 the local funds attributable to pupils who reside in the county but attend a charter
7 school or a university school for profoundly gifted pupils. (NRS 387.121) **Section 2**
8 of this bill requires each school district, charter school and university school for
9 profoundly gifted pupils to ensure that at least 65 percent of the money which it
10 receives in the form of basic support and local funds available, or by way of
11 apportionment, as applicable, is used to pay for direct classroom expenditures.
12 **Section 2** further defines the term "direct classroom expenditures."

13 Under existing law, the governing body of each charter school, the board of
14 trustees of each school district and the governing body of each university school for
15 profoundly gifted pupils are required to report annually with respect to the actual
16 expenditures of the school or school district, as applicable, in the immediately
17 preceding fiscal year. (NRS 386.600, 387.303, 392A.073) **Sections 1, 3 and 4** of
18 this bill require that the reports also include information as to the compliance of the
19 school or the school district, as applicable, with the requirements of **section 2**.



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

Section 1. NRS 386.600 is hereby amended to read as follows:

386.600 1. On or before November 15 of each year, the governing body of each charter school shall submit to the sponsor of the charter school, the Superintendent of Public Instruction and the Director of the Legislative Counsel Bureau for transmission to the Majority Leader of the Senate and the Speaker of the Assembly a report that includes:

(a) A written description of the progress of the charter school in achieving the mission and goals of the charter school set forth in its application.

(b) For each fund maintained by the charter school, including, without limitation, the general fund of the charter school and any special revenue fund which receives state money, the total number and salaries of licensed and nonlicensed persons whose salaries are paid from the fund and who are employed by the governing body in full-time positions or in part-time positions added together to represent full-time positions. Information must be provided for the current school year based upon the final budget of the charter school, including any amendments and augmentations thereto, and for the preceding school year. An employee must be categorized as filling an instructional, administrative, instructional support or other position.

(c) The actual expenditures of the charter school in the fiscal year immediately preceding the report ~~§~~, *including, without limitation, the charter school's compliance with the provisions of section 2 of this act.*

(d) The proposed expenditures of the charter school for the current fiscal year.

(e) The salary schedule for licensed employees and nonlicensed teachers in the current school year and a statement of whether salary negotiations for the current school year have been completed. If salary negotiations have not been completed at the time the salary schedule is submitted, the governing body shall submit a supplemental report to the Superintendent of Public Instruction upon completion of negotiations.

(f) The number of employees eligible for health insurance within the charter school for the current and preceding fiscal years and the amount paid for health insurance for each such employee during those years.



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(g) The rates for fringe benefits, excluding health insurance, paid by the charter school for its licensed employees in the preceding and current fiscal years.

(h) The amount paid for extra duties, supervision of extracurricular activities and supplemental pay and the number of employees receiving that pay in the preceding and current fiscal years.

2. On or before November 25 of each year, the Superintendent of Public Instruction shall submit to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, in a format approved by the Director of the Department of Administration, a compilation of the reports made by each governing body pursuant to subsection 1.

3. The Superintendent of Public Instruction shall, in the compilation required by subsection 2, reconcile the revenues and expenditures of the charter schools with the apportionment received by those schools from the State Distributive School Account for the preceding year.

Sec. 2. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

1. The board of trustees of each school district shall ensure that at least 65 percent of the money which the school district receives in the form of:

(a) Basic support; and

(b) Local funds available,

↪ is used to pay for direct classroom expenditures.

2. The governing body of each charter school and the governing body of each university school for profoundly gifted pupils shall ensure that at least 65 percent of the apportionment which the school receives pursuant to NRS 387.124 is used to pay for direct classroom expenditures.

3. As used in this section:

(a) "Basic support" means the basic support guarantee per pupil established for a school district by law pursuant to NRS 387.122.

(b) "Direct classroom expenditures" means all expenditures during a fiscal year for activities associated directly with the interaction between teachers and pupils, including, without limitation, salaries and benefits for teachers and paraprofessionals, costs for instructional materials and supplies, costs associated with classroom-related educational activities, including, without limitation, field trips, physical education, music and the arts. The term does not include expenditures during a fiscal year for the costs of administration, salaries and benefits for administrators, plant operations and maintenance, food service,



1 *transportation, instructional support, including, without*
2 *limitation, media centers, the professional development of teachers*
3 *and other support for pupils, including, without limitation, nurses*
4 *and guidance counselors.*

5 (c) *“Local funds available” means the local funds available*
6 *per pupil pursuant to NRS 387.1235.*

7 (d) *“Paraprofessional” has the meaning ascribed to it in*
8 *NRS 391.008.*

9 **Sec. 3.** NRS 387.303 is hereby amended to read as follows:

10 387.303 1. Not later than November 10 of each year, the
11 board of trustees of each school district shall submit to the
12 Superintendent of Public Instruction and the Department of
13 Taxation a report which includes the following information:

14 (a) For each fund within the school district, including, without
15 limitation, the school district’s general fund and any special revenue
16 fund which receives state money, the total number and salaries of
17 licensed and nonlicensed persons whose salaries are paid from the
18 fund and who are employed by the school district in full-time
19 positions or in part-time positions added together to represent full-
20 time positions. Information must be provided for the current school
21 year based upon the school district’s final budget, including any
22 amendments and augmentations thereto, and for the preceding
23 school year. An employee must be categorized as filling an
24 instructional, administrative, instructional support or other position.

25 (b) The school district’s actual expenditures in the fiscal year
26 immediately preceding the report ~~is~~, *including, without limitation,*
27 *the school district’s compliance with the provisions of section 2 of*
28 *this act.*

29 (c) The school district’s proposed expenditures for the current
30 fiscal year.

31 (d) The schedule of salaries for licensed employees in the
32 current school year and a statement of whether the negotiations
33 regarding salaries for the current school year have been completed.
34 If the negotiations have not been completed at the time the schedule
35 of salaries is submitted, the board of trustees shall submit a
36 supplemental report to the Superintendent of Public Instruction upon
37 completion of negotiations or the determination of an arbitrator
38 concerning the negotiations that includes the schedule of salaries
39 agreed to or required by the arbitrator.

40 (e) The number of employees who received an increase in salary
41 pursuant to subsection 2, 3 or 4 of NRS 391.160 for the current and
42 preceding fiscal years. If the board of trustees is required to pay an
43 increase in salary retroactively pursuant to subsection 2 of NRS
44 391.160, the board of trustees shall submit a supplemental report to
45 the Superintendent of Public Instruction not later than February 15



1 of the year in which the retroactive payment was made that includes
2 the number of teachers to whom an increase in salary was paid
3 retroactively.

4 (f) The number of employees eligible for health insurance within
5 the school district for the current and preceding fiscal years and the
6 amount paid for health insurance for each such employee during
7 those years.

8 (g) The rates for fringe benefits, excluding health insurance,
9 paid by the school district for its licensed employees in the
10 preceding and current fiscal years.

11 (h) The amount paid for extra duties, supervision of
12 extracurricular activities and supplemental pay and the number of
13 employees receiving that pay in the preceding and current fiscal
14 years.

15 (i) The expenditures from the account created pursuant to
16 subsection 4 of NRS 179.1187. The report must indicate the total
17 amount received by the district in the preceding fiscal year and the
18 specific amount spent on books and computer hardware and
19 software for each grade level in the district.

20 2. On or before November 25 of each year, the Superintendent
21 of Public Instruction shall submit to the Department of
22 Administration and the Fiscal Analysis Division of the Legislative
23 Counsel Bureau, in a format approved by the Director of the
24 Department of Administration, a compilation of the reports made by
25 each school district pursuant to subsection 1.

26 3. In preparing the agency biennial budget request for the State
27 Distributive School Account for submission to the Department of
28 Administration, the Superintendent of Public Instruction:

29 (a) Shall compile the information from the most recent
30 compilation of reports submitted pursuant to subsection 2;

31 (b) May increase the line items of expenditures or revenues
32 based on merit salary increases and cost of living adjustments or
33 inflation, as deemed credible and reliable based upon published
34 indexes and research relevant to the specific line item of expenditure
35 or revenue;

36 (c) May adjust expenditures and revenues pursuant to paragraph
37 (b) for any year remaining before the biennium for which the budget
38 is being prepared and for the 2 years of the biennium covered by the
39 biennial budget request to project the cost of expenditures or the
40 receipt of revenues for the specific line items;

41 (d) May consider the cost of enhancements to existing programs
42 or the projected cost of proposed new educational programs,
43 regardless of whether those enhancements or new programs are
44 included in the per pupil basic support guarantee for inclusion in the
45 biennial budget request to the Department of Administration; and



(e) Shall obtain approval from the State Board for any inflationary increase, enhancement to an existing program or addition of a new program included in the agency biennial budget request.

4. The Superintendent of Public Instruction shall, in the compilation required by subsection 2, reconcile the revenues of the school districts with the apportionment received by those districts from the State Distributive School Account for the preceding year.

5. The request prepared pursuant to subsection 3 must:

(a) Be presented by the Superintendent of Public Instruction to such standing committees of the Legislature as requested by the standing committees for the purposes of developing educational programs and providing appropriations for those programs; and

(b) Provide for a direct comparison of appropriations to the proposed budget of the Governor submitted pursuant to subsection 4 of NRS 353.230.

Sec. 4. NRS 392A.073 is hereby amended to read as follows:

392A.073 1. The governing body of a university school for profoundly gifted pupils shall submit to the Department in a format prescribed by the Department such information as requested by the Superintendent of Public Instruction for purposes of accountability reporting for the university school.

2. The governing body of a university school for profoundly gifted pupils shall, on or before November 15 of each year, submit to the Department in a format prescribed by the Department the following information:

(a) The actual expenditures of the university school for profoundly gifted pupils in the fiscal year immediately preceding the report ~~is~~ , *including, without limitation, the university school's compliance with the provisions of section 2 of this act;* and

(b) The proposed expenditures of the university school for profoundly gifted pupils for the current fiscal year.

Sec. 5. 1. This section and section 2 of this act become effective on July 1, 2011.

2. Sections 1, 3 and 4 of this act become effective on July 1, 2012.

