
SENATE BILL NO. 188—SENATORS PICKARD, HAMMOND, SEEVERS
GANSERT; GOICOECHEA, KIECKHEFER AND SETTELMAYER

FEBRUARY 18, 2019

JOINT SPONSORS: ASSEMBLYMEN HAFEN,
HANSEN, ROBERTS AND TOLLES

Referred to Committee on Finance

SUMMARY—Revises provisions relating to education.
(BDR 34-632)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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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 the board of trustees of each school district to report to the Department of Education an explanation of expenditures; requiring such a report to be posted on certain Internet websites; requiring the board of trustees of a school district to base the budget on the total amount of money available per pupil in the preceding fiscal year; requiring the system of accounting for public schools to be based on generally accepted accounting principles; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the board of trustees of each school district to submit a
2 report to the Superintendent of Public Instruction and the Department of Taxation
3 which includes information on the school district’s actual and proposed
4 expenditures. (NRS 387.303) **Section 1** of this bill requires the board of trustees of
5 each school district to submit a report to the Department of Education that clearly
6 and concisely explains each expenditure made by the school district and each
7 school in that school district. **Section 1** requires this report to include: (1) the
8 category of spending for each expenditure; (2) how each expenditure was used; and
9 (3) the source of revenue for each expenditure. **Section 1** further requires the
10 Department, each school district and each school that hosts an Internet website to
11 make the information provided in the report available on their respective websites.



Existing law requires boards of trustees of county school districts to prepare a budget. (NRS 387.300) **Section 2** of this bill requires the board of trustees to base the budget on the total amount of money available per pupil in the preceding fiscal year.

Under existing law, the Department is required to develop a uniform system of budgeting and accounting for all the public schools in this State. (NRS 387.3035) **Section 3** of this bill requires such a system to be based on generally accepted accounting principles.

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

Section 1. Chapter 387 of NRS is hereby amended by adding thereto a new section to read as follows:

1. Not later than August 15 of each year, the board of trustees of each school district shall submit to the Department a report which provides a clear and concise explanation of each expenditure made by the school district and each school in the school district. Such explanation must include:

- (a) The category of spending for each expenditure;*
- (b) How each expenditure was used; and*
- (c) The source of revenue for each expenditure.*

2. Information provided in the report pursuant to subsection 1 must be based on the money received and the actual expenditures made by the school district and each school in the school district in the fiscal year immediately preceding the report.

3. The Department and each school district shall make available on their respective Internet websites the report submitted pursuant to subsection 1.

4. Each school about which information was submitted in a report pursuant to subsection 1 that operates an Internet website shall host on the Internet website:

- (a) A link to the report on the Internet website of the school district; or*
- (b) The portion of the report that relates to the school.*

5. The Department shall adopt regulations necessary to carry out this section.

Sec. 2. NRS 387.300 is hereby amended to read as follows:

387.300 Boards of trustees of county school districts shall prepare budgets of the amounts of money estimated to be necessary to pay the expenses of conducting the public business of the school districts as provided in chapter 354 of NRS. *Boards of trustees of county school districts shall base the budget for the upcoming fiscal year on the total amount of money available per pupil in the immediately preceding fiscal year from any source identified in NRS 387.175.*



1 **Sec. 3.** NRS 387.3035 is hereby amended to read as follows:
2 387.3035 The Department shall:

3 1. Determine the apportionment of all state school money to
4 schools of the State as prescribed by law.

5 2. Develop for public schools of the State a uniform system of
6 budgeting and accounting ~~and~~ *which is based on generally accepted*
7 *accounting principles*. The system must provide for the separate
8 reporting of expenditures for each:

9 (a) School district; and

10 (b) School within a school district.

11 ↪ Upon approval of the State Board, the system is mandatory for all
12 public schools in this State and must be enforced as provided in
13 subsection 1 of NRS 387.3039.

14 3. Carry on a continuing study of school finance in the State,
15 particularly the method by which schools are financed on the state
16 level, and make such recommendations to the Superintendent of
17 Public Instruction for submission to the Governor as the Department
18 deems advisable.

19 4. Recommend to the Superintendent of Public Instruction for
20 submission to the Governor such changes in budgetary and financial
21 procedures as the studies may show to be advisable.

22 5. Perform such other statistical and financial duties pertaining
23 to the administration and finances of the schools of the State as may
24 be required by the Superintendent of Public Instruction.

25 6. Prepare for the Superintendent of Public Instruction the
26 biennial budgets of the Department for submission to the Governor.

27 **Sec. 4.** Notwithstanding the provisions of section 1 of this act,
28 the initial report submitted by the board of trustees of each school
29 district pursuant to subsection 1 of section 1 of this act must be
30 submitted on or before August 15, 2020.

31 **Sec. 5.** This act becomes effective on July 1, 2019.



