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Testimony before Senate Finance Committee

May 22, 2003

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

We are 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. We hear complaints about 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 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 most 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 to 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.

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 audit. Both the Washoe County School District and the Clark County School District have engaged in a variety of different performance audits over recent years but not in the manner that is proposed by this bill.

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. While the methodology at this point for doing so is somewhat limited, the academic improvement shown in schools receiving additional funding after the passage of NERA of 1997 may in fact provide an entry point for measuring academic outcomes in this context.

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 involvement 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.

We strongly support the provision for the establishment of a business advisory group to help guide the audit process. We also believe that

the scope of this bill is appropriate in that it covers districts in addition to Clark and Washoe.

It may very well be that there are those who will not be convinced despite the evidence, that school districts are good stewards of public resources. Even so, NSEA believes that public education can and should do whatever it can to persuade them otherwise. We urge your support of AB 162.