

ASSEMBLY BILL NO. 162—ASSEMBLYMEN GOLDWATER, GIBBONS,
PARKS, BEERS, CHOWNING, ANDONOV, ARBERRY,
BUCKLEY, CLABORN, COLLINS, CONKLIN, GIUNCHIGLIANI,
GRIFFIN, HETTRICK, HORNE, KOIVISTO, LESLIE,
MANENDO, MARVEL, MCCLAIN, MCCLEARY,
MORTENSON, OCEGUERA, OHRENSCHALL, PERKINS,
PIERCE AND WILLIAMS

FEBRUARY 19, 2003

Referred to Concurrent Committees on Education
and Ways and Means

SUMMARY—Requires Legislative Auditor to conduct performance
audits of certain school districts and provides for
formation of Business Advisory Councils.
(BDR S-995)

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

~

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

AN ACT relating to education; requiring the Legislative Auditor to
conduct performance audits of certain school districts;
providing for the formation of Business Advisory
Councils; and providing other matters properly relating
thereto.

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

- 1 **Section 1.** 1. The Legislative Auditor shall conduct a
2 performance audit of the school districts in this state with more than
3 5,000 enrolled students. The performance audit must include issues
4 relating to operational accountability, including, without limitation:
5 (a) Financial management;
6 (b) Facilities management;
7 (c) Personnel management;
8 (d) District organization;



* A B 1 6 2 R 1 *

- 1 (e) Employee health plans;
- 2 (f) Transportation;
- 3 (g) Alignment of the organization with the needs and
- 4 expectations of the public;
- 5 (h) Training and development of management staff;
- 6 (i) Establishment of benchmarks for productivity and
- 7 performance; and
- 8 (j) Examination of unusual or dramatic changes in specific
- 9 budgetary line items, including, without limitation, legal expenses.

10 2. The Legislative Auditor shall prepare a final written report
11 for the audit conducted pursuant to subsection 1 and present the
12 report to the Audit Subcommittee of the Legislative Commission
13 not later than February 7, 2005.

14 3. To the extent that the provisions of NRS 218.737 to
15 218.890, inclusive, are consistent with the requirements of this
16 section, those provisions apply to the audit conducted pursuant to
17 this section. For the purposes of this subsection, the Clark County
18 School District, Washoe County School District, Carson
19 City School District, Douglas County School District, Elko County
20 School District, Lyon County School District and Nye County
21 School District shall be deemed to be agencies of the State.

22 4. Upon the request of the Legislative Auditor or his authorized
23 representative, the officers and employees of the Clark County
24 School District, Washoe County School District, Carson
25 City School District, Douglas County School District, Elko County
26 School District, Lyon County School District and Nye County
27 School District shall make available to the Legislative Auditor any
28 of their books, accounts, claims, reports, vouchers or other records
29 of information, confidential or otherwise and irrespective of their
30 form or location, which the Legislative Auditor deems necessary to
31 conduct the audits required by this section.

32 **Sec. 2.** 1. The Board of Trustees of the Clark County
33 School District, Washoe County School District, Carson
34 City School District, Douglas County School District, Elko County
35 School District, Lyon County School District and Nye County
36 School District shall, on or before February 15, 2005, give public
37 notice of its intention to form a Business Advisory Council on or
38 before May 15, 2005. Each Board of Trustees shall accept
39 nominations and applications for membership on the Business
40 Advisory Council during the period from March 1 to March 31,
41 2005.

42 2. On or before May 15, 2005, each Board of Trustees shall,
43 form a Business Advisory Council. The Board of Trustees shall,
44 from the nominations and applications received, select the members
45 of its Business Advisory Council, appoint the members to terms of 2



1 years, designate a Chairman and Vice-Chairman from among the
2 members, and designate an employee of the school district to serve
3 as secretary for the Business Advisory Council. The members of the
4 Council shall serve without salary or reimbursement for per diem or
5 travel expenses.

6 3. The Council shall comply with the provisions of chapter 241
7 of NRS.

8 4. The meetings of each such Business Advisory Council must
9 be held at a location within the respective school district and at the
10 date and time determined by the Chairman. In no event may the
11 Chairman set a meeting of the Council during regular school hours
12 within the school district. Each such Business Advisory Council
13 shall:

14 (a) Review the results of the performance audit conducted by the
15 Legislative Auditor pursuant to section 1 of this act, particularly in
16 regards to the school district for which the Council has been
17 appointed.

18 (b) Work with the appropriate fiscal and administrative staff of
19 the school district to form recommendations based upon the findings
20 of the Legislative Auditor.

21 (c) On or before January 9, 2007, submit a written report of its
22 findings and recommendations to the Board of Trustees of the
23 school district, and to the Director of the Legislative Counsel
24 Bureau for compilation and transmittal to the Legislature.

25 5. On or before May 15, 2007, the Board of Trustees of the
26 Clark County School District, Washoe County School District,
27 Carson City School District, Douglas County School District, Elko
28 County School District, Lyon County School District and Nye
29 County School District shall, if appropriate, provide for the
30 continuation of the activities of its Business Advisory Council. The
31 Board of Trustees may thereafter revise the duties of the Council
32 and provide for its membership as it deems appropriate.

33 **Sec. 3.** This act becomes effective on July 1, 2003.

