

CHAPTER 387 - FINANCIAL SUPPORT OF SCHOOL SYSTEM

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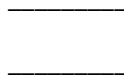
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STATE MONEY

NRS 387.013 State Permanent School Fund: Quarterly financial reports by State Controller. The State Controller shall, each quarter, prepare a complete financial report of the State Permanent School

Fund. A copy of this report must be submitted to the State Treasurer and to the Fiscal Analysis Division of the Legislative Counsel Bureau.

(Added to NRS by 1969, 823; A 1973, 1668; 1977, 349; 1981, 362)

NRS 387.015 State Treasurer custodian of securities; liability on bond. The State Treasurer shall be the legal custodian of all securities in which the moneys of the State Permanent School Fund are or may hereafter be invested. The State Treasurer shall be liable on his or her official bond for their safekeeping.

[88:32:1956]

NRS 387.030 State Distributive School Account: Creation; sources; distribution. All money derived from interest on the State Permanent School Fund, together with all money derived from other sources provided by law, must:

1. Except as otherwise provided in [NRS 387.191](#), be placed in the State Distributive School Account which is hereby created in the State General Fund; and
2. Except as otherwise provided in [NRS 387.528](#), be apportioned among the several school districts and charter schools of this State at the times and in the manner provided by law.

[91:32:1956]—(NRS A 1977, 231; [1987, 420](#); [1997, 1857, 2709](#); [1999, 599](#); [2009, 8](#))

NRS 387.031 Creation of Account for Programs for Innovation and the Prevention of Remediation; acceptance of gifts and grants; use of money in Account.

1. The Account for Programs for Innovation and the Prevention of Remediation is hereby created in the State General Fund, to be administered by the Superintendent of Public Instruction. The Superintendent of Public Instruction may accept gifts and grants of money from any source for deposit in the Account. Any money from gifts and grants may be expended in accordance with the terms and conditions of the gift or grant, or in accordance with subsection 2. The interest and income earned on the sum of:

(a) The money in the Account; and

(b) Unexpended appropriations made to the Account from the State General Fund,

Ê must be credited to the Account. Any money remaining in the Account at the end of a fiscal year does not revert to the State General Fund, and the balance in the Account must be carried forward to the next fiscal year.

2. The money in the Account may only be used for public schools and public education, as authorized by the Legislature.

(Added to NRS by [2005, 1975](#); A [2007, 1565, 2379](#); [2013, 2636](#))—(Substituted in revision for NRS 385.379)

NRS 387.032 Fund for School Improvement: Creation; use of interest and income; transfer of money to State General Fund.

1. There is hereby created as a special revenue fund, the Fund for School Improvement to be administered by the Superintendent of Public Instruction. The Superintendent may accept gifts and grants from any source for deposit in the Fund. All legislative appropriations, gifts and grants made to the Fund become a part of the principal of the Fund which may only be reduced pursuant to subsection 3 or by specific legislative action.

2. The interest and income earned from the money in the Fund must be used by the Superintendent to carry out programs of school improvement identified by the Legislature. No such expenditure may be made unless authorized by the Legislature or by the Interim Finance Committee if the Legislature is not in session.

3. The State Board of Examiners may, upon making a determination that any portion of the principal of the money in the Fund is necessary to meet existing or future obligations of the State,

recommend to the Interim Finance Committee, or the Senate Committee on Finance and the Assembly Committee on Ways and Means when the Legislature is in session, that the amount so needed be transferred from the Fund to the State General Fund. Upon approval of the appropriate committee or committees, the money may be so transferred.

(Added to NRS by [1989, 2106](#); A [1997, 124](#); [1999, 2838](#))

NRS 387.035 State Controller to keep separate accounts of money for schools. The State Controller shall keep a separate and distinct account of:

1. The State Permanent School Fund.
2. The interest and income of the State Permanent School Fund.
3. All moneys derived from special appropriations or otherwise for the support of public schools.

[92:32:1956]

NRS 387.040 Disbursement of money for public schools.

1. Except as otherwise provided in subsection 2 and [NRS 387.528](#), the State Treasurer shall pay over all public school money received by the State Treasurer for the support of school districts only on warrants of the State Controller issued upon the orders of the Superintendent of Public Instruction in favor of county treasurers. When endorsed, the orders are valid vouchers in the hands of the State Controller for the disbursement of public school money.

2. Except as otherwise provided in [NRS 387.528](#), if the board of trustees of a school district establishes and administers a separate account pursuant to the provisions of [NRS 354.603](#), the State Treasurer shall pay over to the school district all public school money due the school district.

3. The State Treasurer shall pay over all public school money received by the State Treasurer for the support of charter schools only on warrants of the State Controller issued upon the orders of the Superintendent of Public Instruction in favor of the charter schools. When endorsed, the orders are valid vouchers in the hands of the State Controller for the disbursement of public school money.

[93:32:1956]—(NRS A 1979, 1583; 1981, 362; [1995, 2486](#); [1997, 1857, 2710](#); [1999, 599](#))

NRS 387.045 Restrictions on use of money for public schools.

1. No portion of the public school funds or of the money specially appropriated for the purpose of public schools shall be devoted to any other object or purpose.

2. No portion of the public school funds shall in any way be segregated, divided or set apart for the use or benefit of any sectarian or secular society or association.

[94:32:1956]

NRS 387.047 Money for pupils receiving special education: Separate accounting by school districts and charter schools required.

1. Except as otherwise provided in this section, each school district and charter school shall separately account for all money received for the instruction of and the provision of related services to pupils with disabilities, gifted and talented pupils and pupils who receive early intervening services described by [NRS 388.520](#).

2. The separate accounting must include:

(a) The amount of money provided to the school district or charter school for special education for basic support;

(b) Transfers of money from the general fund of the school district or charter school needed to balance the special revenue fund;

(c) The cost of:

- (1) Instruction provided by licensed special education teachers and supporting staff;

- (2) Related services, including, but not limited to, services provided by psychologists, therapists and health-related personnel;
 - (3) Transportation of the pupils with disabilities and gifted and talented pupils to and from school;
 - (4) The direct supervision of educational and supporting programs; and
 - (5) The supplies and equipment needed for providing special education; and
 - (d) The amount of money, if any, expended by the school district or charter school for early intervening services provided pursuant to subsection 3 of [NRS 388.450](#).
3. Money received from federal sources must be:
- (a) Accounted for separately; and
 - (b) Excluded from the accounting required pursuant to this section.
- (Added to NRS by [1993, 1430](#); A [1995, 574](#); [1997, 1857](#); [2009, 753](#))

FEDERAL MONEY

NRS 387.049 Required manner of administration of money. When administering money received from the Federal Government, the Superintendent of Public Instruction, the Department or the State Board, as applicable, shall, to the extent practicable, administer the money in a manner that is designed to attain the goals of the Legislature regarding educational reform in this State.

(Added to NRS by [1999, 2925](#))

NRS 387.050 Appropriations for career and technical education: Acceptance and disbursement of money.

1. The State of Nevada accepts the provisions of, and all of the money provided by, the Vocational Education Act of 1963, and any amendments thereof or supplements thereto.
2. In addition to the provisions of subsection 1, the State Board for Career and Technical Education may accept, and adopt regulations or establish policies for the disbursement of, money appropriated by any Act of Congress and apportioned to the State of Nevada for use in connection with the program for career and technical education.
3. In accepting the benefits of the Acts of Congress referred to in subsections 1 and 2, the State of Nevada agrees to comply with all of their provisions and to observe all of their requirements.
4. The State Treasurer is designated custodian of all money received by the State of Nevada from the appropriations made by the Acts of Congress referred to in subsections 1 and 2, and the State Treasurer may receive and provide for the proper custody thereof and make disbursements therefrom in the manner provided in the Acts and for the purposes therein specified on warrants of the State Controller issued upon the order of the Executive Officer of the State Board for Career and Technical Education.
5. On warrants of the State Controller issued upon the order of the Executive Officer of the State Board for Career and Technical Education pursuant to regulations or policies of the Board, the State Treasurer shall also pay out any money appropriated by the State of Nevada to carry out the provisions of this section.

[95:32:1956]—(NRS A 1957, 212; 1979, 1583; [1985, 811](#); [2005, 1046](#))

NRS 387.067 Appropriations for elementary and secondary education: Acceptance and disbursement of money.

1. The State Board may accept and adopt regulations or establish policies for the disbursement of money appropriated and apportioned to the State of Nevada, the school districts or the charter schools of the State of Nevada by the Congress of the United States for purposes of elementary and secondary education.

2. The Superintendent of Public Instruction shall deposit the money with the State Treasurer, who shall make disbursements therefrom on warrants of the State Controller issued upon the order of the Superintendent of Public Instruction.

3. The State Board, any school district within this State and any governing body of any charter school in this State may, within the limits provided in this section, make such applications, agreements and assurances to the Federal Government, and conduct such programs as may be required as a condition precedent to the receipt of money appropriated by any Act of Congress for purposes of elementary and secondary education. Such an agreement or assurance must not require this State, or a school district or governing body to provide money above the amount appropriated or otherwise lawfully available for that purpose.

(Added to NRS by 1965, 711; A 1979, 1584; 1983, 308; [1997, 1858](#))

PROGRAMS OF NUTRITION; LUNCHES FOR ELDERLY PERSONS

NRS 387.068 Definitions. As used in [NRS 387.068](#) to [387.112](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 387.069](#) and [387.070](#) have the meanings ascribed to them in those sections.

(Added to NRS by [2013, 1797](#))

NRS 387.069 “Director” defined. “Director” means the Director of the State Department of Agriculture.

(Added to NRS by [2013, 1797](#))

NRS 387.070 “Program of nutrition” defined. “Program of nutrition” means a program under which food is served to or nutritional education and assistance are provided for children and adults by any public school, private school or public or private institution on a nonprofit basis, including any such program for which assistance may be made available out of money appropriated by the Congress of the United States. The term includes, but is not limited to, a school lunch program.

[100:32:1956]—(NRS A 1975, 154; 1979, 1584; 1983, 314; [1993, 2878](#); [2013, 1797](#))

NRS 387.075 Regulations and policies for disbursement of federal money; deposit of money with State Treasurer.

1. The Director may accept and adopt regulations or establish policies for the disbursement of money appropriated by any Act of Congress and apportioned to the State of Nevada for use in connection with programs of nutrition.

2. The Director shall deposit with the State Treasurer all money received from the Federal Government or from other sources for programs of nutrition.

[101:32:1956]—(NRS A 1977, 231; 1979, 1584; 1983, 314; [1993, 2878](#); [2013, 1798](#))

NRS 387.080 Administration, maintenance and operation of programs; disbursement of money by State Treasurer.

1. The Director may enter into agreements with any agency of the Federal Government, the Department, the State Board, any board of trustees of a school district, any governing body of a charter school or any other entity or person. The Director may establish policies and prescribe regulations, authorize the employment of such personnel and take such other action as it considers necessary to provide for the establishment, maintenance, operation and expansion of any program of nutrition operated by a school district or of any other such program for which state or federal assistance is provided.

2. The State Treasurer shall disburse federal, state and other money designated for a program of nutrition on warrants of the State Controller issued upon the order of the Director pursuant to regulations or policies of the State Department of Agriculture.

3. The Director may:

(a) Give technical advice and assistance to any person or entity in connection with the establishment and operation of any program of nutrition.

(b) Assist in training personnel engaged in the operation of any program of nutrition.

[102:32:1956]—(NRS A 1979, 1585; 1983, 314; [1993, 2878](#); [1997, 1858](#); [2013, 1798](#))

NRS 387.090 Powers of trustees of school districts and governing bodies of charter schools.

The board of trustees of each school district and the governing body of each charter school may:

1. Operate or provide for the operation of programs of nutrition in the public schools under their jurisdiction.

2. Use therefor money disbursed to them pursuant to the provisions of [NRS 387.068](#) to [387.112](#), inclusive, gifts, donations and other money received from the sale of food under those programs.

3. Deposit the money in one or more accounts in one or more banks or credit unions within the State.

4. Contract with respect to food, services, supplies, equipment and facilities for the operation of the programs.

[104:32:1956]—(NRS A 1963, 79; 1979, 1585; 1983, 315; [1993, 2879](#); [1997, 1858](#); [1999, 1489](#); [2013, 1798](#))

NRS 387.100 Studies and appraisals. The Director may, to the extent that money is available for that purpose, and in cooperation with other appropriate agencies and organizations:

1. Conduct studies of methods of improving and expanding programs of nutrition and promoting nutritional education in the public schools.

2. Conduct appraisals of the nutritive benefits of programs of nutrition.

[106:32:1956]—(NRS A 1979, 1585; 1983, 315; [1993, 2879](#); [2013, 1798](#))

NRS 387.105 Appropriation of state money; matching grant for participation in National School Lunch Program.

1. To enable the Director to provide for the establishment, maintenance, operation and expansion of programs of nutrition, money must be provided by legislative appropriation from the General Fund as a budgeted part of the appropriation for the support of the State Department of Agriculture and must be paid out on claims as other claims against the State are paid.

2. In addition to the amounts provided pursuant to subsection 1, money must be provided by legislative appropriation in an amount that satisfies the amount required as a matching grant from this State for participation in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq., which must be designated as the "Nutrition State Match." Each school district receiving money that is designated as a "Nutrition State Match" shall verify that the money is used to support the National School Lunch Program in the public schools located within the school district.

[107:32:1956]—(NRS A 1979, 1586; 1983, 315; [1993, 2879](#); [2005, 1262](#); [2013, 1798](#))

NRS 387.112 Director required to cooperate in plan for lunches for elderly persons; regulations. The Director shall:

1. Cooperate with the Aging and Disability Services Division of the Department of Health and Human Services in the planning of programs whereby the school districts may prepare hot lunches for persons 60 years of age or older and their spouses or any group of such persons by utilizing the systems and procedures already developed for use in the operation of school lunch programs; and

2. Adopt regulations containing guidelines for boards of trustees of school districts entering into such agreements.

(Added to NRS by 1979, 1564; A [2013, 1797](#))—(Substituted in revision for NRS 385.109)

APPORTIONMENTS AND ALLOWANCES FROM STATE DISTRIBUTIVE SCHOOL ACCOUNT

NRS 387.121 Legislative declaration; Nevada Plan. The Legislature declares that the proper objective of state financial aid to public education is to ensure each Nevada child a reasonably equal educational opportunity. Recognizing wide local variations in wealth and costs per pupil, this State should supplement local financial ability to whatever extent necessary in each school district to provide programs of instruction in both compulsory and elective subjects that offer full opportunity for every Nevada child to receive the benefit of the purposes for which public schools are maintained. Therefore, the quintessence of the State's financial obligation for such programs can be expressed in a formula partially on a per pupil basis and partially on a per program basis as: State financial aid to school districts equals the difference between school district basic support guarantee and local available funds produced by mandatory taxes minus all the local funds attributable to pupils who reside in the county but attend a charter school or a university school for profoundly gifted pupils. This formula is designated the Nevada Plan.

(Added to NRS by 1967, 889; A 1973, 1419; [1997, 1859](#); [2007, 1199](#))

NRS 387.1211 Definitions. As used in [NRS 387.121](#) to [387.126](#), inclusive:

1. "Average daily attendance" means the total number of pupils attending a particular school each day during a period of reporting divided by the number of days school is in session during that period.

2. "Enrollment" means the count of pupils enrolled in and scheduled to attend programs of instruction of a school district, charter school or university school for profoundly gifted pupils at a specified time during the school year.

3. "Special education program unit" means an organized unit of special education and related services which includes full-time services of persons licensed by the Superintendent of Public Instruction or other appropriate licensing body, providing a program of instruction in accordance with minimum standards prescribed by the State Board.

(Added to NRS by 1979, 1582; A [1987, 994](#); [1991, 1547](#); [1997, 1859](#); [1999, 2925](#); [2007, 1199](#))

NRS 387.122 Establishment of basic support guarantees. For making the apportionments of the State Distributive School Account in the State General Fund required by the provisions of this title, the basic support guarantee per pupil for each school district and the basic support guarantee for each special education program unit maintained and operated during at least 9 months of a school year are established by law for each school year.

(Added to NRS by 1967, 889; A 1969, 337, 1172; 1971, 951; 1973, 1420; 1975, 1373; 1977, 9, 699; 1979, 1586; [1987, 420](#))

NRS 387.1221 Basic support guarantee for special education program units; reallocation of unused allocation; authorization to contract to provide special education program unit; authorization to provide early intervening services.

1. The basic support guarantee for any special education program unit maintained and operated during a period of less than 9 school months is in the same proportion to the amount established by law for that school year as the period during which the program unit actually was maintained and operated is to 9 school months.

2. Any unused allocations for special education program units may be reallocated to other school districts, charter schools or university schools for profoundly gifted pupils by the Superintendent of Public Instruction. In such a reallocation, first priority must be given to special education programs with

statewide implications, and second priority must be given to special education programs maintained and operated within counties whose allocation is less than or equal to the amount provided by law. If there are more unused allocations than necessary to cover programs of first and second priority but not enough to cover all remaining special education programs eligible for payment from reallocations, then payment for the remaining programs must be prorated. If there are more unused allocations than necessary to cover programs of first priority but not enough to cover all programs of second priority, then payment for programs of second priority must be prorated. If unused allocations are not enough to cover all programs of first priority, then payment for programs of first priority must be prorated.

3. A school district, a charter school or a university school for profoundly gifted pupils may, after receiving the approval of the Superintendent of Public Instruction, contract with any person, state agency or legal entity to provide a special education program unit for pupils of the district pursuant to [NRS 388.440](#) to [388.520](#), inclusive.

4. A school district in a county whose population is less than 700,000, a charter school or a university school for profoundly gifted pupils that receives an allocation for special education program units may use not more than 15 percent of its allocation to provide early intervening services.

(Added to NRS by 1979, 1582; A [1993, 2156](#); [1997, 1859](#); [2007, 1199](#); [2009, 754](#); [2011, 1247](#))

NRS 387.1225 Reimbursement to hospital or other facility that provides residential treatment to children and operates licensed private school; request for and amount of reimbursement.

1. A hospital or other facility which is licensed by the Division of Public and Behavioral Health of the Department of Health and Human Services that provides residential treatment to children and which operates a private school licensed pursuant to [chapter 394](#) of NRS may request reimbursement from the Department for the cost of providing educational services to a child who:

- (a) The Department verifies is a patient or resident of the hospital or facility; and
- (b) Attends the private school for more than 7 school days.

2. Upon receiving a request for reimbursement, the Department shall determine the amount of reimbursement to which the hospital or facility is entitled as a percentage of the basic support guarantee per pupil and withhold that amount from the county school district or charter school where the child would attend school if the child were not placed in the hospital or facility. The Department shall distribute the money withheld from the county school district or charter school to the hospital or facility.

3. The Department shall adopt any regulations necessary to carry out the provisions of this section.

4. As used in this section:

- (a) "Hospital" has the meaning ascribed to it in [NRS 449.012](#).
- (b) "Private school" has the meaning ascribed to it in [NRS 394.103](#).

(Added to NRS by [2013, 1008](#))

NRS 387.123 Count of pupils for apportionment; uniform regulations for counting enrollment and attendance; regulations for maximum pupil-teacher ratio; exception from maximum ratio for certain schools and programs.

1. The count of pupils for apportionment purposes includes all pupils who are enrolled in programs of instruction of the school district, including, without limitation, a program of distance education provided by the school district, pupils who reside in the county in which the school district is located and are enrolled in any charter school, including, without limitation, a program of distance education provided by a charter school, and pupils who are enrolled in a university school for profoundly gifted pupils located in the county, for:

- (a) Pupils in the kindergarten department.
- (b) Pupils in grades 1 to 12, inclusive.

(c) Pupils not included under paragraph (a) or (b) who are receiving special education pursuant to the provisions of [NRS 388.440](#) to [388.520](#), inclusive.

(d) Pupils who reside in the county and are enrolled part-time in a program of distance education provided pursuant to [NRS 388.820](#) to [388.874](#), inclusive.

(e) Children detained in facilities for the detention of children, alternative programs and juvenile forestry camps receiving instruction pursuant to the provisions of [NRS 388.550](#), [388.560](#) and [388.570](#).

(f) Pupils who are enrolled in classes pursuant to subsection 5 of [NRS 386.560](#) and pupils who are enrolled in classes pursuant to subsection 5 of [NRS 386.580](#).

(g) Pupils who are enrolled in classes pursuant to subsection 3 of [NRS 392.070](#).

(h) Pupils who are enrolled in classes and taking courses necessary to receive a high school diploma, excluding those pupils who are included in paragraphs (d), (f) and (g).

2. The State Board shall establish uniform regulations for counting enrollment and calculating the average daily attendance of pupils. In establishing such regulations for the public schools, the State Board:

(a) Shall divide the school year into 10 school months, each containing 20 or fewer school days, or its equivalent for those public schools operating under an alternative schedule authorized pursuant to [NRS 388.090](#).

(b) May divide the pupils in grades 1 to 12, inclusive, into categories composed respectively of those enrolled in elementary schools and those enrolled in secondary schools.

(c) Shall prohibit the counting of any pupil specified in subsection 1 more than once.

3. Except as otherwise provided in subsection 4 and [NRS 388.700](#), the State Board shall establish by regulation the maximum pupil-teacher ratio in each grade, and for each subject matter wherever different subjects are taught in separate classes, for each school district of this State which is consistent with:

(a) The maintenance of an acceptable standard of instruction;

(b) The conditions prevailing in the school district with respect to the number and distribution of pupils in each grade; and

(c) Methods of instruction used, which may include educational television, team teaching or new teaching systems or techniques.

Ê If the Superintendent of Public Instruction finds that any school district is maintaining one or more classes whose pupil-teacher ratio exceeds the applicable maximum, and unless the Superintendent finds that the board of trustees of the school district has made every reasonable effort in good faith to comply with the applicable standard, the Superintendent shall, with the approval of the State Board, reduce the count of pupils for apportionment purposes by the percentage which the number of pupils attending those classes is of the total number of pupils in the district, and the State Board may direct the Superintendent to withhold the quarterly apportionment entirely.

4. The provisions of subsection 3 do not apply to a charter school, a university school for profoundly gifted pupils or a program of distance education provided pursuant to [NRS 388.820](#) to [388.874](#), inclusive.

(Added to NRS by 1967, 890; A 1969, 444, 1173; 1971, 288; 1973, 1423; 1979, 1586; [1989, 1814, 2105](#); [1991, 1547](#); [1993, 2156](#); [1997, 1860](#); [1999, 3306](#); [2001, 1483, 3143](#); [2003, 1136, 3214](#); [2005, 1667](#); [2007, 1200, 1988](#); [2013, 1602](#))

NRS 387.1233 Calculation of basic support; effect of declining enrollment; consequences for school district or charter school that deliberately causes decline in enrollment.

1. Except as otherwise provided in subsection 2, basic support of each school district must be computed by:

(a) Multiplying the basic support guarantee per pupil established for that school district for that school year by the sum of:

(1) Six-tenths the count of pupils enrolled in the kindergarten department on the last day of the first school month of the school district for the school year, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school on the last day of the first school month of the school district for the school year.

(2) The count of pupils enrolled in grades 1 to 12, inclusive, on the last day of the first school month of the school district for the school year, including, without limitation, the count of pupils who reside in the county and are enrolled in any charter school on the last day of the first school month of the school district for the school year and the count of pupils who are enrolled in a university school for profoundly gifted pupils located in the county.

(3) The count of pupils not included under subparagraph (1) or (2) who are enrolled full-time in a program of distance education provided by that school district or a charter school located within that school district on the last day of the first school month of the school district for the school year.

(4) The count of pupils who reside in the county and are enrolled:

(I) In a public school of the school district and are concurrently enrolled part-time in a program of distance education provided by another school district or a charter school on the last day of the first school month of the school district for the school year, expressed as a percentage of the total time services are provided to those pupils per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2).

(II) In a charter school and are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school on the last day of the first school month of the school district for the school year, expressed as a percentage of the total time services are provided to those pupils per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2).

(5) The count of pupils not included under subparagraph (1), (2), (3) or (4), who are receiving special education pursuant to the provisions of [NRS 388.440](#) to [388.520](#), inclusive, on the last day of the first school month of the school district for the school year, excluding the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of [NRS 388.475](#) on that day.

(6) Six-tenths the count of pupils who have not attained the age of 5 years and who are receiving special education pursuant to subsection 1 of [NRS 388.475](#) on the last day of the first school month of the school district for the school year.

(7) The count of children detained in facilities for the detention of children, alternative programs and juvenile forestry camps receiving instruction pursuant to the provisions of [NRS 388.550](#), [388.560](#) and [388.570](#) on the last day of the first school month of the school district for the school year.

(8) The count of pupils who are enrolled in classes for at least one semester pursuant to subsection 5 of [NRS 386.560](#), subsection 5 of [NRS 386.580](#) or subsection 3 of [NRS 392.070](#), expressed as a percentage of the total time services are provided to those pupils per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2).

(b) Multiplying the number of special education program units maintained and operated by the amount per program established for that school year.

(c) Adding the amounts computed in paragraphs (a) and (b).

2. Except as otherwise provided in subsection 4, if the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is less than or equal to 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for

the immediately preceding school year, the largest number from among the immediately preceding 2 school years must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to [NRS 387.124](#).

3. Except as otherwise provided in subsection 4, if the enrollment of pupils in a school district or a charter school that is located within the school district on the last day of the first school month of the school district for the school year is more than 95 percent of the enrollment of pupils in the same school district or charter school on the last day of the first school month of the school district for the immediately preceding school year, the larger enrollment number from the current year or the immediately preceding school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to [NRS 387.124](#).

4. If the Department determines that a school district or charter school deliberately causes a decline in the enrollment of pupils in the school district or charter school to receive a higher apportionment pursuant to subsection 2 or 3, including, without limitation, by eliminating grades or moving into smaller facilities, the enrollment number from the current school year must be used for purposes of apportioning money from the State Distributive School Account to that school district or charter school pursuant to [NRS 387.124](#).

5. Pupils who are excused from attendance at examinations or have completed their work in accordance with the rules of the board of trustees must be credited with attendance during that period.

6. Pupils who are incarcerated in a facility or institution operated by the Department of Corrections must not be counted for the purpose of computing basic support pursuant to this section. The average daily attendance for such pupils must be reported to the Department of Education.

7. Pupils who are enrolled in courses which are approved by the Department as meeting the requirements for an adult to earn a high school diploma must not be counted for the purpose of computing basic support pursuant to this section.

(Added to NRS by 1977, 704; A 1979, 1243, 1588; 1981, 299; [1985, 1868](#); [1987, 135](#), [1639](#), [1640](#); [1989, 1554](#), [1814](#), [1816](#); [1991, 1548](#); [1993, 2157](#); [1997, 1861](#); [1999, 3307](#); [2001, 1484](#), [3144](#); [2001 Special Session, 237](#); [2003, 289](#), [1137](#); [2005, 1668](#); [2007, 1201](#), [1566](#); [2011, 768](#); [2013, 1604](#))

NRS 387.1235 Local funds available for public schools; reserve of net proceeds of minerals. [Effective through November 24, 2014, and after that date unless the provisions of Senate Joint Resolution No. 15 (2011) are approved and ratified by the voters at the 2014 General Election.]

1. Except as otherwise provided in subsection 2, local funds available are the sum of:

(a) The amount of one-third of the tax collected pursuant to subsection 1 of [NRS 387.195](#) for the school district for the concurrent school year; and

(b) The proceeds of the local school support tax imposed by [chapter 374](#) of NRS, excluding any amounts required to be remitted pursuant to [NRS 360.850](#) and [360.855](#). The Department of Taxation shall furnish an estimate of these proceeds to the Superintendent of Public Instruction on or before July 15 for the fiscal year then begun, and the Superintendent shall adjust the final apportionment of the current school year to reflect any difference between the estimate and actual receipts.

2. The amount computed under subsection 1 that is attributable to any assessed valuation attributable to the net proceeds of minerals must be held in reserve and may not be considered as local funds available until the succeeding fiscal year.

(Added to NRS by 1977, 705; A 1979, 1243, 1588; 1983, 1906; [1999, 2925](#); [2003, 2941](#); [2005, 2080](#), [2375](#); [2007, 1560](#))

NRS 387.1235 Local funds available for public schools; reserve of net proceeds from mineral extraction and royalties. [Effective November 25, 2014, if the provisions of Senate Joint Resolution No. 15 (2011) are approved and ratified by the voters at the 2014 General Election.]

1. Except as otherwise provided in subsection 2, local funds available are the sum of:

(a) The amount of one-third of the tax collected pursuant to subsection 1 of [NRS 387.195](#) for the school district for the concurrent school year; and

(b) The proceeds of the local school support tax imposed by [chapter 374](#) of NRS, excluding any amounts required to be remitted pursuant to [NRS 360.850](#) and [360.855](#). The Department of Taxation shall furnish an estimate of these proceeds to the Superintendent of Public Instruction on or before July 15 for the fiscal year then begun, and the Superintendent shall adjust the final apportionment of the current school year to reflect any difference between the estimate and actual receipts.

2. The amount of the local funds computed pursuant to subsection 1 that is based on any assessed valuation attributable to the net proceeds from mineral extraction and royalties subject to the excise tax pursuant to the provisions of [NRS 362.100](#) to [362.240](#), inclusive, must be held in reserve and may not be considered as local funds available until the succeeding fiscal year.

(Added to NRS by 1977, 705; A 1979, 1243, 1588; 1983, 1906; [1999, 2925](#); [2003, 2941](#); [2005, 2080, 2375](#); [2007, 1560](#); [2013, 3139](#), effective November 25, 2014, if the provisions of Senate Joint Resolution No. 15 (2011) are approved and ratified by the voters at the 2014 General Election)

NRS 387.124 Apportionments to school districts, charter schools and university schools for profoundly gifted pupils; request for advance by charter school or university school. Except as otherwise provided in this section and [NRS 387.528](#):

1. On or before August 1, November 1, February 1 and May 1 of each year, the Superintendent of Public Instruction shall apportion the State Distributive School Account in the State General Fund among the several county school districts, charter schools and university schools for profoundly gifted pupils in amounts approximating one-fourth of their respective yearly apportionments less any amount set aside as a reserve. Except as otherwise provided in [NRS 387.1244](#), the apportionment to a school district, computed on a yearly basis, equals the difference between the basic support and the local funds available pursuant to [NRS 387.1235](#), minus all the funds attributable to pupils who reside in the county but attend a charter school, all the funds attributable to pupils who reside in the county and are enrolled full-time or part-time in a program of distance education provided by another school district or a charter school and all the funds attributable to pupils who are enrolled in a university school for profoundly gifted pupils located in the county. No apportionment may be made to a school district if the amount of the local funds exceeds the amount of basic support.

2. Except as otherwise provided in subsection 3 and [NRS 387.1244](#), the apportionment to a charter school, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to [NRS 387.1235](#) and all other funds available for public schools in the county in which the pupil resides minus the sponsorship fee prescribed by [NRS 386.570](#) and minus all the funds attributable to pupils who are enrolled in the charter school but are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school. If the apportionment per pupil to a charter school is more than the amount to be apportioned to the school district in which a pupil who is enrolled in the charter school resides, the school district in which the pupil resides shall pay the difference directly to the charter school.

3. Except as otherwise provided in [NRS 387.1244](#), the apportionment to a charter school that is sponsored by the State Public Charter School Authority or by a college or university within the Nevada System of Higher Education, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the pupil resides plus the amount of local funds available per pupil pursuant to [NRS 387.1235](#) and all other funds available for public schools in the county in which the pupil resides, minus the sponsorship fee prescribed by [NRS 386.570](#) and minus all funds attributable to pupils who are enrolled in the charter school but are concurrently enrolled part-time in a program of distance education provided by a school district or another charter school.

4. Except as otherwise provided in [NRS 387.1244](#), in addition to the apportionments made pursuant to this section, an apportionment must be made to a school district or charter school that provides a program of distance education for each pupil who is enrolled part-time in the program. The amount of the apportionment must be equal to the percentage of the total time services are provided to the pupil through the program of distance education per school day in proportion to the total time services are provided during a school day to pupils who are counted pursuant to subparagraph (2) of paragraph (a) of subsection 1 of [NRS 387.1233](#) for the school district in which the pupil resides.

5. The governing body of a charter school may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the charter school, an apportionment 30 days before the apportionment is required to be made pursuant to subsection 1. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A charter school may receive all four apportionments in advance in its first year of operation.

6. Except as otherwise provided in [NRS 387.1244](#), the apportionment to a university school for profoundly gifted pupils, computed on a yearly basis, is equal to the sum of the basic support per pupil in the county in which the university school is located plus the amount of local funds available per pupil pursuant to [NRS 387.1235](#) and all other funds available for public schools in the county in which the university school is located. If the apportionment per pupil to a university school for profoundly gifted pupils is more than the amount to be apportioned to the school district in which the university school is located, the school district shall pay the difference directly to the university school. The governing body of a university school for profoundly gifted pupils may submit a written request to the Superintendent of Public Instruction to receive, in the first year of operation of the university school, an apportionment 30 days before the apportionment is required to be made pursuant to subsection 1. Upon receipt of such a request, the Superintendent of Public Instruction may make the apportionment 30 days before the apportionment is required to be made. A university school for profoundly gifted pupils may receive all four apportionments in advance in its first year of operation.

7. The Superintendent of Public Instruction shall apportion, on or before August 1 of each year, the money designated as the "Nutrition State Match" pursuant to [NRS 387.105](#) to those school districts that participate in the National School Lunch Program, 42 U.S.C. §§ 1751 et seq. The apportionment to a school district must be directly related to the district's reimbursements for the Program as compared with the total amount of reimbursements for all school districts in this State that participate in the Program.

8. If the State Controller finds that such an action is needed to maintain the balance in the State General Fund at a level sufficient to pay the other appropriations from it, the State Controller may pay out the apportionments monthly, each approximately one-twelfth of the yearly apportionment less any amount set aside as a reserve. If such action is needed, the State Controller shall submit a report to the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau documenting reasons for the action.

(Added to NRS by 1967, 890; A 1969, 1174; 1971, 519; 1973, 1424; 1975, 1376, 1741; 1977, 701; 1979, 1588; 1983, 1907; [1987, 420](#); [1993, 1430](#); [1995, 2486](#); [1997, 1862, 2710](#); [1999, 599, 3308](#); [2001, 3145](#); [2005, 1262, 2413](#); [2007, 1203](#), [1990, 2578](#); [2011, 770, 2373](#))

NRS 387.1243 Apportionments: Adjustments for pupil not properly enrolled or not attending; adjustments to compensate for delinquent taxes on certain federal property; final computation; increase of basic support; underpayments and overpayments.

1. The first apportionment based on an estimated number of pupils and special education program units and succeeding apportionments are subject to adjustment from time to time as the need therefor may appear, including, without limitation, an adjustment made for a pupil who is not properly enrolled

in or attending a public school, as determined through an independent audit or other examination conducted pursuant to [NRS 387.126](#) or through an annual audit of the count of pupils conducted pursuant to subsection 1 of [NRS 387.304](#).

2. The apportionments to a school district may be adjusted during a fiscal year by the Department of Education, upon approval by the State Board of Examiners and the Interim Finance Committee, if the Department of Taxation and the county assessor in the county in which the school district is located certify to the Department of Education that the school district will not receive the tax levied pursuant to subsection 1 of [NRS 387.195](#) on property of the Federal Government located within the county if:

(a) The leasehold interest, possessory interest, beneficial interest or beneficial use of the property is subject to taxation pursuant to [NRS 361.157](#) and [361.159](#) and one or more lessees or users of the property are delinquent in paying the tax; and

(b) The total amount of tax owed but not paid for the fiscal year by any such lessees and users is at least 5 percent of the proceeds that the school district would have received from the tax levied pursuant to subsection 1 of [NRS 387.195](#).

È If a lessee or user pays the tax owed after the school district's apportionment has been increased in accordance with the provisions of this subsection to compensate for the tax owed, the school district shall repay to the State Distributive School Account in the State General Fund an amount equal to the tax received from the lessee or user for the year in which the school district received an increased apportionment, not to exceed the increase in apportionments made to the school district pursuant to this subsection.

3. On or before August 1 of each year, the board of trustees of a school district shall provide to the Department, in a format prescribed by the Department, the count of pupils calculated pursuant to subparagraph (8) of paragraph (a) of subsection 1 of [NRS 387.1233](#) who completed at least one semester during the immediately preceding school year. The count of pupils submitted to the Department must be included in the final adjustment computed pursuant to subsection 4.

4. A final adjustment for each school district, charter school and university school for profoundly gifted pupils must be computed as soon as practicable following the close of the school year, but not later than August 25. The final computation must be based upon the actual counts of pupils required to be made for the computation of basic support and the limits upon the support of special education programs, except that for any year when the total enrollment of pupils and children in a school district, a charter school located within the school district or a university school for profoundly gifted pupils located within the school district described in paragraphs (a), (b), (c) and (e) of subsection 1 of [NRS 387.123](#) is greater on the last day of any school month of the school district after the second school month of the school district and the increase in enrollment shows at least:

(a) A 3-percent gain, basic support as computed from first-month enrollment for the school district, charter school or university school for profoundly gifted pupils must be increased by 2 percent.

(b) A 6-percent gain, basic support as computed from first-month enrollment for the school district, charter school or university school for profoundly gifted pupils must be increased by an additional 2 percent.

5. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils exceeds the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the additional amount due must be paid before September 1. If the final computation of apportionment for any school district, charter school or university school for profoundly gifted pupils is less than the actual amount paid to the school district, charter school or university school for profoundly gifted pupils during the school year, the difference must be repaid to the State Distributive School Account in the State General Fund by the school district, charter school or university school for profoundly gifted pupils before September 25.

(Added to NRS by 1977, 705; A 1983, 1907; [1987, 420](#); [1995, 2487](#); [1997, 1862, 2825](#); [1999, 608, 609, 3309](#); [2001, 3147](#); [2007, 1204](#); [2011, 772](#))

NRS 387.1244 Apportionments: Superintendent of Public Instruction authorized to make deductions from apportionment otherwise payable; grounds; appeal to State Board.

1. The Superintendent of Public Instruction may deduct from an apportionment otherwise payable to a school district, charter school or university school for profoundly gifted pupils pursuant to [NRS 387.124](#) if the school district, charter school or university school:

(a) Fails to repay an amount due pursuant to subsection 5 of [NRS 387.1243](#). The amount of the deduction from the quarterly apportionment must correspond to the amount due.

(b) Fails to repay an amount due the Department as a result of a determination that an expenditure was made which violates the terms of a grant administered by the Department. The amount of the deduction from the quarterly apportionment must correspond to the amount due.

(c) Pays a claim determined to be unearned, illegal or unreasonably excessive as a result of an investigation conducted pursuant to [NRS 387.3037](#). The amount of the deduction from the quarterly apportionment must correspond to the amount of the claim which is determined to be unearned, illegal or unreasonably excessive.

È More than one deduction from a quarterly apportionment otherwise payable to a school district, charter school or university school for profoundly gifted pupils may be made pursuant to this subsection if grounds exist for each such deduction.

2. The Superintendent of Public Instruction may authorize the withholding of the entire amount of an apportionment otherwise payable to a school district, charter school or university school for profoundly gifted pupils pursuant to [NRS 387.124](#), or a portion thereof, if the school district, charter school or university school for profoundly gifted pupils fails to submit a report or other information that is required to be submitted to the Superintendent, State Board or Department pursuant to a statute. If a charter school fails to submit a report or other information that is required to be submitted to the Superintendent, State Board or Department through the sponsor of the charter school pursuant to a statute, the Superintendent may only authorize the withholding of the apportionment otherwise payable to the charter school and may not authorize the withholding of the apportionment otherwise payable to the sponsor of the charter school. Before authorizing a withholding pursuant to this subsection, the Superintendent of Public Instruction shall provide notice to the school district, charter school or university school for profoundly gifted pupils of the report or other information that is due and provide the school district, charter school or university school with an opportunity to comply with the statute. Any amount withheld pursuant to this subsection must be accounted for separately in the State Distributive School Account, does not revert to the State General Fund at the end of a fiscal year and must be carried forward to the next fiscal year.

3. If, after an amount is withheld pursuant to subsection 2, the school district, charter school or university school for profoundly gifted pupils subsequently submits the report or other information required by a statute for which the withholding was made, the Superintendent of Public Instruction shall immediately authorize the payment of the amount withheld to the school district, charter school or university school for profoundly gifted pupils.

4. A school district, charter school or university school for profoundly gifted pupils may appeal to the State Board a decision of the Superintendent of Public Instruction to deduct or withhold from a quarterly apportionment pursuant to this section. The Secretary of the State Board shall place the subject of the appeal on the agenda of the next meeting for consideration by the State Board.

(Added to NRS by [2011, 767](#))

NRS 387.1245 Emergency financial assistance: Conditions; procedures.

1. The board of trustees of any school district in this State whose estimated receipts from all sources provided by this chapter and [chapter 374](#) of NRS are less than the total estimated receipts from these sources in the final approved budget for the fiscal year, and which cannot therefore provide a minimum program of education and meet its contract obligations, may apply for emergency financial assistance from the State Distributive School Account in the State General Fund.

2. The application must be made to the State Board of Education in the form prescribed by the Superintendent of Public Instruction, and in accordance with guidelines for evaluating needs for emergency financial assistance as established by the State Board of Education.

3. Before acting on any such application, the State Board of Education and State Board of Examiners, jointly, shall determine the difference between the total amount of money appropriated and authorized for expenditure during the current biennium from the State Distributive School Account in the State General Fund and the total amount of money estimated to be payable from that Fund during the biennium, and shall make no distribution in excess of that difference.

4. The State Board of Education shall review each application and shall by resolution find the least amount of additional money, if any, which it deems necessary to enable the board of trustees of the applying school district to provide a minimum educational program and meet its irreducible contract obligations. In making this determination, the State Board of Education shall consider also the amount available in the State Distributive School Account in the State General Fund and the anticipated amount of future applications, so that no deserving school district will be wholly denied relief. Any money allocated by the State Board of Education under this section may not exceed, when added to all other estimated resources, the total estimated receipts in the final approved budget of the applying school district for the fiscal year.

5. If the State Board of Education finds that emergency assistance should be granted to an applying school district, it shall transmit its resolution finding the amount to the State Board of Examiners, along with a report of its then current estimate of the total requirements to be paid from the State Distributive School Account in the State General Fund during the then current fiscal year.

6. The State Board of Examiners shall independently review each resolution so transmitted by the State Board of Education, may require the submission of such additional justification as it deems necessary, and shall find by resolution the amount of emergency assistance, if any, to be granted. The Board may defer, and subsequently grant or deny, any part of a request. Any emergency assistance granted by the State Board of Examiners may not exceed, when added to all other estimated resources, the total estimated receipts in the final approved budget of the applying school district for the fiscal year.

7. The State Board of Examiners shall transmit one copy of its finding to the State Board of Education and one copy to the State Controller. A claim pursuant to a grant of emergency assistance must be paid from the State Distributive School Account in the State General Fund as other claims against the State are paid.

8. Money received by a school district pursuant to a grant of relief may be expended only in accordance with the approved budget of that school district for the fiscal year for which the grant is made. No formal action to incorporate the money so received in the approved budget is required, but the receipts must be reported as other receipts are reported and explained in a footnote as medium-term obligations are explained.

9. The State Board of Education shall transmit to the Legislature a report of each grant of emergency assistance paid pursuant to this section.

(Added to NRS by 1977, 705; A 1981, 300, 498, 500; [1987, 421](#); [1997, 557](#))

NRS 387.126 Verification of reports of enrollment and attendance. The Superintendent of Public Instruction may in his or her discretion and shall when so directed by the State Board verify by

independent audit or other suitable examination the reports of enrollment and daily attendance submitted by any school district, charter school or university school for profoundly gifted pupils for apportionment purposes.

(Added to NRS by 1967, 891; A 1979, 1589; [1997, 1863](#); [2007, 1206](#))

SOURCES AND USE OF MONEY BY COUNTY SCHOOL DISTRICTS

NRS 387.170 County school district fund: Creation; transfers.

1. There is hereby created in each county treasury a fund to be designated as the county school district fund, except as otherwise provided in subsection 2.

2. All money received by the county treasurer under the provisions of [NRS 387.175](#) may be transferred to a separate account established and administered by the board of trustees of the county school district under the provisions of [NRS 354.603](#).

[122:32:1956]—(NRS A 1971, 1346; 1975, 1809; 1979, 545, 1589; 1981, 686, 1771)

NRS 387.175 County school district fund: Composition. The county school district fund is composed of:

1. All local taxes for the maintenance and operation of public schools.
2. All money received from the Federal Government for the maintenance and operation of public schools.
3. Apportionments by this State as provided in [NRS 387.124](#).
4. Any other receipts, including gifts, for the operation and maintenance of the public schools in the county school district.

[123:32:1956]—(NRS A 1961, 42; 1963, 431; 1967, 892; 1979, 1589; [1997, 1863](#))

NRS 387.177 County school district buildings and sites fund: Creation; composition; expenditures.

1. There is hereby created in each county treasury or in a separate account, if established under [NRS 354.603](#), a fund to be designated as the county school district buildings and sites fund.

2. The county school district buildings and sites fund shall be composed of:

- (a) Receipts from the rentals and sales of school property.
- (b) Gifts to the school district for any or all of the purposes enumerated in [NRS 387.335](#).
- (c) All moneys received from the Federal Government for the construction of school facilities.

3. Moneys in the county school district buildings and sites fund may be expended by the board of trustees, notwithstanding such expenditures have not been budgeted in accordance with law, only for the purposes enumerated in [NRS 387.335](#), and no others.

(Added to NRS by 1963, 431; A 1971, 1347; 1975, 1809)

NRS 387.180 Deposit by trustees of money collected in county school district fund or buildings and sites fund. The board of trustees of each county school district shall pay all moneys received by it for school purposes into the county treasury at the end of each month to be placed to the credit of the county school district fund or the county school district buildings and sites fund as provided for in this chapter, except when the board of trustees of a county school district has elected to establish and administer a separate account under the provisions of [NRS 354.603](#).

[124:32:1956]—(NRS A 1965, 324; 1971, 1347; 1975, 1809)

NRS 387.185 Distribution of money to school districts, charter schools and university schools for profoundly gifted pupils.

1. Except as otherwise provided in subsection 2 and [NRS 387.528](#), unless the Superintendent of Public Instruction authorizes a withholding pursuant to [NRS 387.1244](#), all school money due each county

school district must be paid over by the State Treasurer to the county treasurer on August 1, November 1, February 1 and May 1 of each year or as soon thereafter as the county treasurer may apply for it, upon the warrant of the State Controller drawn in conformity with the apportionment of the Superintendent of Public Instruction as provided in [NRS 387.124](#).

2. Except as otherwise provided in [NRS 387.528](#), unless the Superintendent of Public Instruction authorizes a withholding pursuant to [NRS 387.1244](#), if the board of trustees of a school district establishes and administers a separate account pursuant to the provisions of [NRS 354.603](#), all school money due that school district must be paid over by the State Treasurer to the school district on August 1, November 1, February 1 and May 1 of each year or as soon thereafter as the school district may apply for it, upon the warrant of the State Controller drawn in conformity with the apportionment of the Superintendent of Public Instruction as provided in [NRS 387.124](#).

3. No county school district may receive any portion of the public school money unless that school district has complied with the provisions of this title and regulations adopted pursuant thereto.

4. Except as otherwise provided in this subsection, unless the Superintendent of Public Instruction authorizes a withholding pursuant to [NRS 387.1244](#), all school money due each charter school must be paid over by the State Treasurer to the governing body of the charter school on August 1, November 1, February 1 and May 1 of each year or as soon thereafter as the governing body may apply for it, upon the warrant of the State Controller drawn in conformity with the apportionment of the Superintendent of Public Instruction as provided in [NRS 387.124](#). If the Superintendent of Public Instruction has approved, pursuant to subsection 5 of [NRS 387.124](#), a request for payment of an apportionment 30 days before the apportionment is otherwise required to be made, the money due to the charter school must be paid by the State Treasurer to the governing body of the charter school on July 1, October 1, January 1 or April 1, as applicable.

5. Except as otherwise provided in this subsection, unless the Superintendent of Public Instruction authorizes a withholding pursuant to [NRS 387.1244](#), all school money due each university school for profoundly gifted pupils must be paid over by the State Treasurer to the governing body of the university school on August 1, November 1, February 1 and May 1 of each year or as soon thereafter as the governing body may apply for it, upon the warrant of the State Controller drawn in conformity with the apportionment of the Superintendent of Public Instruction as provided in [NRS 387.124](#). If the Superintendent of Public Instruction has approved, pursuant to subsection 6 of [NRS 387.124](#), a request for payment of an apportionment 30 days before the apportionment is otherwise required to be made, the money due to the university school must be paid by the State Treasurer to the governing body of the university school on July 1, October 1, January 1 or April 1, as applicable.

[125:32:1956]—(NRS A 1967, 196, 892; 1979, 1589; [1995, 2487](#); [1997, 1863, 2710](#); [1999, 599, 3310](#); [2001, 3148](#); [2007, 1206](#); [2011, 773](#))

NRS 387.191 State Supplemental School Support Account; creation; proceeds of certain tax on revenues from rental of transient lodging to be deposited in Account; appropriation of money in Account for operation of school districts and charter schools; distribution based upon enrollment; authorized uses; annual accounting of expenditures required.

1. Except as otherwise provided in this subsection, the proceeds of the tax imposed pursuant to [NRS 244.33561](#) and any applicable penalty or interest must be paid by the county treasurer to the State Treasurer for credit to the State Supplemental School Support Account, which is hereby created in the State General Fund. The county treasurer may retain from the proceeds an amount sufficient to reimburse the county for the actual cost of collecting and administering the tax, to the extent that the county incurs any cost it would not have incurred but for the enactment of this section or [NRS 244.33561](#), but in no case exceeding the amount authorized by statute for this purpose. Any interest or

other income earned on the money in the State Supplemental School Support Account must be credited to the Account.

2. On and after July 1, 2015, the money in the State Supplemental School Support Account is hereby appropriated for the operation of the school districts and charter schools of the state, as provided in this section. The money so appropriated is intended to supplement and not replace any other money appropriated, approved or authorized for expenditure to fund the operation of the public schools for kindergarten through grade 12. Any money that remains in the State Supplemental School Support Account at the end of the fiscal year does not revert to the State General Fund, and the balance in the State Supplemental School Support Account must be carried forward to the next fiscal year.

3. On or before February 1, May 1, August 1 and November 1 of 2016, and on those dates each year thereafter, the Superintendent of Public Instruction shall transfer from the State Supplemental School Support Account all the proceeds of the tax imposed pursuant to [NRS 244.33561](#), including any interest or other income earned thereon, and distribute the proceeds proportionally among the school districts and charter schools of the state. The proportionate amount of money distributed to each school district or charter school must be determined by dividing the number of students enrolled in the school district or charter school by the number of students enrolled in all the school districts and charter schools of the state. For the purposes of this subsection, the enrollment in each school district and the number of students who reside in the district and are enrolled in a charter school must be determined as of the last day of the first school month of the school district for the school year. This determination governs the distribution of money pursuant to this subsection until the next annual determination of enrollment is made. The Superintendent may retain from the proceeds of the tax an amount sufficient to reimburse the Superintendent for the actual cost of administering the provisions of this section, to the extent that the Superintendent incurs any cost the Superintendent would not have incurred but for the enactment of this section, but in no case exceeding the amount authorized by statute for this purpose.

4. The money received by a school district or charter school from the State Supplemental School Support Account pursuant to this section must be used to improve the achievement of students and for the payment of salaries to attract and retain qualified teachers and other employees, except administrative employees, of the school district or charter school. Nothing contained in this section shall be deemed to impair or restrict the right of employees of the school district or charter school to engage in collective bargaining as provided by [chapter 288](#) of NRS.

5. On or before November 10 of 2016, and on that date each year thereafter, the board of trustees of each school district and the governing body of each charter school shall prepare a report to the Superintendent of Public Instruction, in the form prescribed by the Superintendent. The report must provide an accounting of the expenditures by the school district or charter school of the money it received from the State Supplemental School Support Account during the preceding fiscal year.

6. As used in this section, "administrative employee" means any person who holds a license as an administrator, issued by the Superintendent of Public Instruction, and is employed in that capacity by a school district or charter school.

(Added to NRS by [2009, 7](#); A [2011, 446, 2152; 2013, 2068](#))

NRS 387.195 Levy of tax for county school district; deferred use of money attributable to net proceeds of minerals. [Effective through November 24, 2014, and after that date unless the provisions of Senate Joint Resolution No. 15 (2011) are approved and ratified by the voters at the 2014 General Election.]

1. Each board of county commissioners shall levy a tax of 75 cents on each \$100 of assessed valuation of taxable property within the county for the support of the public schools within the county school district.

2. The tax collected pursuant to subsection 1 on any assessed valuation attributable to the net proceeds of minerals must not be considered as available to pay liabilities of the fiscal year in which the tax is collected but must be deferred for use in the subsequent fiscal year. The annual budget for the school district must only consider as an available source the tax on the net proceeds of minerals which was collected in the prior year.

3. In addition to any tax levied in accordance with subsection 1, each board of county commissioners shall levy a tax for the payment of interest and redemption of outstanding bonds of the county school district.

4. The tax collected pursuant to subsection 1 and any interest earned from the investment of the proceeds of that tax must be credited to the county's school district fund.

5. The tax collected pursuant to subsection 3 and any interest earned from the investment of the proceeds of that tax must be credited to the county school district's debt service fund.

[127:32:1956]—(NRS A 1979, 1244; 1981, 301; 1983, 1635, 1950; [1987, 639](#); [1999, 2925](#))

NRS 387.195 Levy of tax for county school district; deferred use of money attributable to net proceeds from mineral extraction and royalties. [Effective November 25, 2014, if the provisions of Senate Joint Resolution No. 15 (2011) are approved and ratified by the voters at the 2014 General Election.]

1. Each board of county commissioners shall levy a tax of 75 cents on each \$100 of assessed valuation of taxable property within the county for the support of the public schools within the county school district.

2. The amount of the tax collected pursuant to subsection 1 that is based on any assessed valuation attributable to the net proceeds from mineral extraction and royalties subject to the excise tax pursuant to the provisions of [NRS 362.100](#) to [362.240](#), inclusive, must not be considered as available to pay liabilities of the fiscal year in which the tax is collected but must be deferred for use in the subsequent fiscal year. The annual budget for the school district must only consider as an available source the amount of the tax collected in the prior fiscal year that is based on any assessed valuation attributable to the net proceeds from mineral extraction and royalties subject to the excise tax pursuant to the provisions of [NRS 362.100](#) to [362.240](#), inclusive.

3. In addition to any tax levied in accordance with subsection 1, each board of county commissioners shall levy a tax for the payment of interest and redemption of outstanding bonds of the county school district.

4. The tax collected pursuant to subsection 1 and any interest earned from the investment of the proceeds of that tax must be credited to the county's school district fund.

5. The tax collected pursuant to subsection 3 and any interest earned from the investment of the proceeds of that tax must be credited to the county school district's debt service fund.

[127:32:1956]—(NRS A 1979, 1244; 1981, 301; 1983, 1635, 1950; [1987, 639](#); [1999, 2925](#); [2013, 3139](#), effective November 25, 2014, if the provisions of Senate Joint Resolution No. 15 (2011) are approved and ratified by the voters at the 2014 General Election)

NRS 387.197 Levy of tax for enhancing safety and security of public schools; report on use of proceeds.

1. Upon the approval of a majority of the registered voters of a county voting upon the question, the board of county commissioners shall, in addition to any taxes levied in accordance with [NRS 387.195](#), levy a tax of no more than 2 cents on each \$100 of assessed valuation of taxable property within the county for enhancing the safety and security of the public schools within the county school district. Such a tax may not be levied after the fiscal year 1996-97 and the duration of any tax so levied must expire by limitation on June 30, 1997.

2. The tax collected pursuant to subsection 1 and any interest earned from the investment of the proceeds of that tax:

(a) Must be credited to the county's school district fund.

(b) Must be accounted for separately in the fund.

(c) Must not be considered in the negotiation of the salaries and benefits of persons employed by the school district, unless they are employed by the school district primarily to provide for the safety and security of a public school.

(d) Must not be considered in the determination of the amount of state support for the school district, or in any way affect the amount of that support.

3. A school district in which a tax is imposed pursuant to this section shall not reduce the amount it spends from other sources for the safety and security of the public schools in the district below the amount it spent for that purpose in the fiscal year during which the ballot question is approved by the voters. The school district may use the proceeds of a tax imposed pursuant to this section only to provide additional necessary revenue for that purpose.

4. A school district in which a tax is imposed pursuant to this section shall submit a report on its use of the proceeds of the tax to the Director of the Legislative Counsel Bureau on or before January 15, 1995, for transmittal to the Legislature for its review.

(Added to NRS by [1991, 901](#); A [1993, 2257](#))

NRS 387.205 Required and authorized uses of money in county school district fund; allocating use of money to ensure budgetary priorities are carried out.

1. Subject to the limitations set forth in [NRS 387.206](#) and [387.207](#) and the provisions of subsection 3, money on deposit in the county school district fund or in a separate account, if the board of trustees of a school district has elected to establish such an account pursuant to the provisions of [NRS 354.603](#), must be used for:

(a) Maintenance and operation of the public schools controlled by the county school district.

(b) Payment of premiums for Nevada industrial insurance.

(c) Rent of schoolhouses.

(d) Construction, furnishing or rental of teacherages, when approved by the Superintendent of Public Instruction.

(e) Transportation of pupils, including the purchase of new buses.

(f) Programs of nutrition, if such expenditures do not curtail the established school program or make it necessary to shorten the school term, and each pupil furnished lunch whose parent or guardian is financially able so to do pays at least the actual cost of the lunch.

(g) Membership fees, dues and contributions to an interscholastic activities association.

(h) Repayment of a loan made from the State Permanent School Fund pursuant to [NRS 387.526](#).

(i) Programs of education and projects relating to air quality pursuant to [NRS 445B.500](#).

2. Subject to the limitations set forth in [NRS 387.206](#) and [387.207](#), money on deposit in the county school district fund, or in a separate account, if the board of trustees of a school district has elected to establish such an account pursuant to the provisions of [NRS 354.603](#), when available, may be used for:

(a) Purchase of sites for school facilities.

(b) Purchase of buildings for school use.

(c) Repair and construction of buildings for school use.

3. The board of trustees of a school district, in allocating the use of money pursuant to this section, shall prioritize expenditures in a manner which ensures that the budgetary priorities determined pursuant to [NRS 387.301](#) are carried out.

[129:32:1956]—(NRS A 1971, 1347; 1973, 317; 1975, 1810; 1983, 315; [1989, 689](#); [1993, 2879](#); [1997, 1864, 2711](#); [1999, 599, 1358](#); [2003, 20th Special Session, 202](#); [2007, 321](#); [2013, 281](#))

NRS 387.206 Required minimum expenditure by school districts, charter schools and university schools for profoundly gifted pupils for textbooks, instructional supplies, instructional software and instructional hardware; reduction in basic support for failure to comply.

1. On or before July 1 of each year, the Department, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, shall determine the combined minimum amount of money required to be expended during that fiscal year for textbooks, instructional supplies, instructional software and instructional hardware by all school districts, charter schools and university schools for profoundly gifted pupils. The amount must be determined by increasing the amount that was established for the Fiscal Year 2004-2005 by the percentage of the change in enrollment between Fiscal Year 2004-2005 and the fiscal year for which the amount is being established, plus any inflationary adjustment approved by the Legislature after Fiscal Year 2004-2005.

2. The Department, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, shall develop or revise, as applicable, a formula for determining the minimum amount of money that each school district, charter school and university school for profoundly gifted pupils is required to expend each fiscal year for textbooks, instructional supplies, instructional software and instructional hardware. The sum of all of the minimum amounts determined pursuant to this subsection must be equal to the combined minimum amount determined pursuant to subsection 1. The formula must be used only to develop expenditure requirements and must not be used to alter the distribution of money for basic support to school districts, charter schools or university schools for profoundly gifted pupils.

3. Upon approval of the formula pursuant to subsection 2, the Department shall provide written notice to each school district, charter school and university school for profoundly gifted pupils within the first 30 days of each fiscal year that sets forth the required minimum combined amount of money that the school district, charter school and university school for profoundly gifted pupils must expend for textbooks, instructional supplies, instructional software and instructional hardware for that fiscal year. If a school district, charter school or university school for profoundly gifted pupils is granted a waiver pursuant to [NRS 387.2065](#), the Department shall provide written notice to the school district, charter school or university school within 30 days after the Interim Finance Committee grants the waiver setting forth the revised amount of money that the school district, charter school or university school must expend for textbooks, instructional supplies, instructional software and instructional hardware for the fiscal year.

4. On or before January 1 of each year, the Department shall determine whether each school district, charter school and university school for profoundly gifted pupils has expended, during the immediately preceding fiscal year, the required minimum amount of money set forth in the notice or the revised notice, as applicable, provided pursuant to subsection 3. In making this determination, the Department shall use the report submitted by:

- (a) The school district pursuant to [NRS 387.303](#).
- (b) The charter school pursuant to [NRS 386.600](#).
- (c) The university school for profoundly gifted pupils pursuant to [NRS 392A.073](#).

5. Except as otherwise provided in subsection 6, if the Department determines that a school district, charter school or university school for profoundly gifted pupils, as applicable, has not expended the required minimum amount of money set forth in the notice or the revised notice, as applicable, provided pursuant to subsection 3, a reduction must be made from the basic support allocation otherwise payable to that school district, charter school or university school for profoundly gifted pupils, as applicable, in an amount that is equal to the difference between the actual combined expenditure for textbooks, instructional supplies, instructional software and instructional hardware and the minimum required combined expenditure set forth in the notice or the revised notice, as applicable, provided

pursuant to subsection 3. A reduction in the amount of the basic support allocation pursuant to this subsection:

(a) Does not reduce the amount that the school district, charter school or university school for profoundly gifted pupils, as applicable, is required to expend on textbooks, instructional supplies, instructional software and instructional hardware in the current fiscal year; and

(b) Must not exceed the amount of basic support that was provided to the school district, charter school or university school for profoundly gifted pupils, as applicable, for the fiscal year in which the minimum expenditure amount was not satisfied.

6. If the actual enrollment of pupils in a school district, charter school or university school for profoundly gifted pupils is less than the enrollment included in the projections used in the biennial budget of the school district submitted pursuant to [NRS 387.303](#), the budget of the charter school submitted pursuant to [NRS 386.600](#) or the report of the university school for profoundly gifted pupils submitted pursuant to [NRS 392A.073](#), as applicable, the required expenditure for textbooks, instructional supplies, instructional software and instructional hardware pursuant to this section must be reduced proportionately.

(Added to NRS by [2003, 20th Special Session, 202](#); A [2009, 475, 908, 939](#))

NRS 387.2065 Request for waiver by school district, charter school or university school for profoundly gifted pupils from minimum expenditure requirements during economic hardship.

1. The board of trustees of a school district, the governing body of a charter school or the governing body of a university school for profoundly gifted pupils that experiences an economic hardship may submit a written request to the Department on a form prescribed by the Department for a waiver of all or a portion of the amount of money the school district, charter school or university school is required to expend for textbooks, instructional supplies, instructional software and instructional hardware pursuant to [NRS 387.206](#) for the fiscal year.

2. Upon receipt of a written request pursuant to subsection 1, the Department shall consider the request and determine whether an economic hardship exists for the school district, charter school or university school for profoundly gifted pupils. The Department may request additional information from the applicant in making the determination. If the Department determines that an economic hardship exists for the applicant, the Department shall forward the request to the Interim Finance Committee and the State Board of Examiners, including the basis for its determination and any recommendations of the Department for the amount of a waiver.

3. Upon receipt of a written request from the Department pursuant to subsection 2, the State Board of Examiners shall consider the request and determine whether an economic hardship exists for the school district, charter school or university school for profoundly gifted pupils. If the State Board of Examiners determines that an economic hardship exists, it shall determine whether the hardship justifies a waiver of all or a portion of the expenditure requirements established for that school district, charter school or university school for the fiscal year pursuant to [NRS 387.206](#). The State Board of Examiners may request additional information from the applicant in making the determination. If the State Board of Examiners determines that an economic hardship exists for the applicant and that a waiver from all or a portion of the expenditure requirements is justified, the State Board of Examiners shall forward the request to the Interim Finance Committee, including the basis for its determination and its recommendation for the amount of the waiver. The Interim Finance Committee is not bound to follow the recommendations of the State Board of Examiners.

4. Upon receipt of a written request from the State Board of Examiners pursuant to subsection 3, the Interim Finance Committee shall consider the request and determine whether an economic hardship exists for the school district, charter school or university school for profoundly gifted pupils. If the Interim Finance Committee determines that an economic hardship exists, it shall determine whether the

hardship justifies a waiver of all or a portion of the expenditure requirements established for that school district, charter school or university school for the fiscal year pursuant to [NRS 387.206](#). The Interim Finance Committee may request additional information from the applicant in making the determination. If the Interim Finance Committee grants a waiver, the Committee shall by resolution set forth the:

- (a) Grounds for its determination;
- (b) Amount of the waiver; and
- (c) Period for which the waiver is effective.

5. The board of trustees of a school district, the governing body of a charter school or the governing body of a university school for profoundly gifted pupils that is granted a waiver by the Interim Finance Committee pursuant to this section shall, upon expiration of the period for which the waiver is granted, provide a written accounting to the Interim Finance Committee and the Department that includes a:

(a) Reconciliation of the revenue and expenditures with the projections of revenue and expenditures that were used to determine whether an economic hardship existed for the school district, charter school or university school; and

(b) Description of how the money from the waiver was used.

6. If the Interim Finance Committee grants a waiver pursuant to this section and subsequently the economic hardship to the school district, charter school or university school for profoundly gifted pupils is mitigated because the actual revenue attributable to the school district, charter school or university school exceeds projections or the actual expenses incurred by the school district, charter school or university school are less than anticipated:

(a) The amount of the waiver must be reduced accordingly by the school district, charter school or university school; and

(b) The amount of money the school district, charter school or university school is required to expend for textbooks, instructional supplies, instructional software and instructional hardware in the next fiscal year, as determined pursuant to subsection 1 of [NRS 387.206](#), must be adjusted accordingly.

7. If a school district, charter school or university school for profoundly gifted pupils is granted a waiver pursuant to this section, the money that would have otherwise been expended by the school district, charter school or university school for profoundly gifted pupils to meet the requirements of [NRS 387.206](#) for the fiscal year:

(a) May not be considered as financial ability to pay for the purposes of negotiation or arbitration regarding salaries and benefits.

(b) Must not be used to settle or arbitrate disputes or negotiate settlements between an organization that represents licensed employees of the school district, charter school or university school and the school district, charter school or university school.

(c) Must not be used to adjust the schedules of salaries and benefits of the employees of the school district, charter school or university school.

8. For purposes of this section, an economic hardship exists for a school district, charter school or university school for profoundly gifted pupils if:

(a) Projections of revenue do not meet or exceed the revenue anticipated at the time the basic support guarantees are established for the fiscal year pursuant to [NRS 387.122](#); or

(b) The school district, charter school or university school for profoundly gifted pupils incurs unforeseen expenses, including, without limitation, expenses related to a natural disaster.

(Added to NRS by [2009, 907](#))

NRS 387.207 Required annual expenditures for library books, computer software, equipment relating to instruction, and maintenance and repair; exception for certain school districts.

1. Except as otherwise provided in this section, in each school year a school district shall spend for library books and software for computers an amount of money, expressed as an amount per pupil, that is at least equal to the average of the total amount of money that was expended per year by the school district for those items in the immediately preceding 3 years.

2. Except as otherwise provided in this section, in each school year a school district shall spend for the purchase of equipment relating to instruction, including, without limitation, equipment for telecommunications and for the purchase of equipment relating to the transportation of pupils, an amount of money, expressed as an amount per pupil, that is at least equal to the average of the total amount of money that was expended per year by the school district for those items in the immediately preceding 3 years.

3. Except as otherwise provided in this section, in each school year a school district shall spend for the maintenance and repair of equipment, vehicles, and buildings and facilities an amount of money, expressed as an amount per pupil, that is at least equal to the average of the total amount of money that was expended per year by the school district for those items in the immediately preceding 3 years, excluding any amount of money derived from the proceeds of bonds.

4. A school district may satisfy the expenditures required by subsections 1, 2 and 3 if the school district spends an aggregate amount of money for all the items identified in those subsections that is at least equal to the average of the total amount of money expended by the school district per year for all those items in the immediately preceding 3 years.

5. A school district is not required to satisfy the expenditures required by this section for a school year in which:

(a) The total number of pupils who are enrolled in public schools within the school district has declined from the immediately preceding school year; or

(b) The total revenue available in the general fund of the school district has declined from the immediately preceding school year.

(Added to NRS by [1999, 1357](#); A [2003, 20th Special Session, 203](#))

NRS 387.210 Duties of county treasurer. Except when the board of trustees of a county school district elects to establish a separate account under the provisions of [NRS 354.603](#), each county treasurer shall:

1. Receive and hold as a special deposit all public school moneys, whether received by the county treasurer from the State Treasurer or raised by the county for the benefit of the public schools, or from any other source, and keep separate accounts thereof and of their disbursements.

2. Pay over all public school moneys received by the county treasurer only on warrants of the county auditor, issued upon orders of the board of trustees of the county school district. All orders issued in accordance with law by the board of trustees shall be valid vouchers in the hands of the county auditors for warrants drawn upon such orders.

[131:32:1956]—(NRS A 1971, 1348; 1975, 1810)

NRS 387.220 Penalties for failure of county treasurer or county auditor to perform certain duties.

1. If any county treasurer or county auditor fails or neglects to perform the duties required of him or her by [NRS 354.603](#) and [387.210](#), the county treasurer or county auditor shall forfeit for the benefit of the county school district fund the sum of \$100 from his or her official compensation.

2. Upon notification by the Superintendent of Public Instruction of such a failure or neglect on the part of the county treasurer or county auditor, the board of county commissioners shall deduct \$100 from his or her official compensation and shall place the money to the credit of the county school district fund.

[133:32:1956]—(NRS A 1971, 1348; [1993, 216](#))

NRS 387.225 Money for schools to be received and disbursed by tax collector or county treasurer without fee. No tax collector or county treasurer shall receive any fees or compensation whatever for collecting, receiving, keeping, transporting or disbursing any public school moneys.

[134:32:1956]

BUDGETS; FINANCIAL ACCOUNTABILITY; SHORT-TERM FINANCING; EXPENDITURES

NRS 387.300 Budgets: Preparation. 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.

[149:32:1956]—(NRS A 1971, 522)

NRS 387.301 Budgets: Establishment of criteria for determining budgetary priorities directed at improving pupil achievement and classroom instruction; use of criteria.

1. Within the limits prescribed by law, the board of trustees of each school district shall establish criteria for determining budgetary priorities that are directed at improving the achievement of pupils and improving classroom instruction.

2. The superintendent of schools of the school district shall use the criteria established pursuant to subsection 1 in making recommendations to the board of trustees regarding the budget of the school district.

(Added to NRS by [2013, 281](#))

NRS 387.303 Budgets: Annual reports by school districts; compilation of reports; biennial budget request for State Distributive School Account.

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

(a) For each fund within the school district, including, without limitation, the school district's general fund 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 school district 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 school district's final budget, 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.

(b) The school district's actual expenditures in the fiscal year immediately preceding the report.

(c) The school district's proposed expenditures for the current fiscal year.

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

(e) The number of employees who received an increase in salary pursuant to subsection 2, 3 or 4 of [NRS 391.160](#) for the current and preceding fiscal years. If the board of trustees is required to pay an increase in salary retroactively pursuant to subsection 2 of [NRS 391.160](#), the board of trustees shall submit a supplemental report to the Superintendent of Public Instruction not later than February 15 of the year in which the retroactive payment was made that includes the number of teachers to whom an increase in salary was paid retroactively.

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

(g) The rates for fringe benefits, excluding health insurance, paid by the school district 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.

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

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 school district pursuant to subsection 1.

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

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

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

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

(d) May consider the cost of enhancements to existing programs or the projected cost of proposed new educational programs, regardless of whether those enhancements or new programs are included in the per pupil basic support guarantee for inclusion in the 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](#).

(Added to NRS by 1979, 1582; A [1991, 1549](#); [1993, 1431, 2158](#); [1995, 574, 1898, 2819](#); [1997, 2704, 2705](#); [1999, 1036](#); [2001, 876, 1485, 1493](#); [2001 Special Session, 172, 186](#); [2007, 2384](#); [2007, 23rd Special Session, 15](#); [2009, 940](#); [2013, 2638](#))

NRS 387.3035 Duties of Department: Determination of apportionment of state school money; development of uniform system of budgeting and accounting; continuing study of state school finance; preparation of biennial budgets. The Department shall:

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

2. Develop for public schools of the State a uniform system of budgeting and accounting. The system must provide for the separate reporting of expenditures for each:

- (a) School district; and
- (b) School within a school district.

Ê Upon approval of the State Board, the system is mandatory for all public schools in this State and must be enforced as provided in subsection 2 of [NRS 387.3037](#).

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

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

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

6. Prepare for the Superintendent of Public Instruction the biennial budgets of the Department for consideration by the State Board and submission to the Governor.

[31:32:1956]—(NRS A 1959, 800; 1965, 1149; 1969, 168; 1979, 1571; [1987, 828](#); [1997, 1767](#); [2013, 2634](#))—
(Substituted in revision for NRS 385.310)

NRS 387.3037 Duties of Department: Investigation of claims against school funds and accounts; inspections of record books and accounts. The Department shall:

1. Investigate any claim against any school fund or an account established under [NRS 354.603](#), [386.570](#) or [392A.083](#), as applicable, whenever a written protest against the drawing of a warrant, check or order in payment of the claim is filed with the county auditor, the sponsor of the charter school or the Department. If, upon investigation, the Department finds that any such claim is unearned, illegal or unreasonably excessive, the Department shall notify the county auditor and the clerk of the board of trustees, the governing body of the charter school or the governing body of the university school for profoundly gifted pupils who drew or authorized the order for the claim, stating the reasons in writing why the order is unearned, illegal or excessive. If so notified, the county auditor shall not draw his or her warrant in payment of the claim nor shall the board of trustees, governing body of the charter school or governing body of the university school for profoundly gifted pupils draw a check or order in payment of the claim from an account established under [NRS 354.603](#), [386.570](#) or [392A.083](#), as applicable. If the Department finds that any protested claim is legal and actually due the claimant, the Department shall authorize the county auditor, the board of trustees, the governing body of the charter school or the governing body of the university school for profoundly gifted pupils, as applicable, to draw his or her warrant or its check or order on an account established under [NRS 354.603](#), [386.570](#) or [392A.083](#), as applicable, for the claim, and the county auditor, the board of trustees or the appropriate governing body shall immediately draw his or her warrant or its check or order in payment of the claim.

2. Inspect the record books and accounts of boards of trustees, governing bodies of charter schools and governing bodies of university schools for profoundly gifted pupils and enforce the uniform method of keeping the financial records and accounts of school districts, charter schools and university schools for profoundly gifted pupils.

3. Inspect the school fund accounts of the county auditors of the several counties and report the condition of the funds of any school district to the board of trustees thereof.

4. Inspect the accounts established by:

(a) The boards of trustees under [NRS 354.603](#) and report the condition of the accounts to the respective boards of county commissioners and county treasurers.

(b) The governing bodies of charter schools under [NRS 386.570](#) and report the condition of the accounts to the respective sponsors of the charter schools and governing bodies of the charter schools.

(c) The governing bodies of university schools for profoundly gifted pupils under [NRS 392A.083](#) and report the condition of the accounts to the Board of Regents of the University of Nevada and the respective governing bodies of the university schools.

(Added to NRS by 1959, 811; A 1965, 1150; 1969, 169; 1971, 1346; 1975, 1808; 1979, 1572; [1987, 829](#); [2009, 932](#); [2013, 2635](#))—(Substituted in revision for NRS 385.315)

NRS 387.304 Duties of Department: Annual audit of count of pupils; review of audits and budgets of school districts; consultation with school districts in preparation of biennial budgetary request; training for school district financial officers. The Department shall:

1. Conduct an annual audit of the count of pupils for apportionment purposes reported by each school district pursuant to [NRS 387.123](#) and the data reported by each school district pursuant to [NRS 388.710](#) that is used to measure the effectiveness of the implementation of a plan developed by each school district to reduce the pupil-teacher ratio as required by [NRS 388.720](#).

2. Review each school district's report of the annual audit conducted by a public accountant as required by [NRS 354.624](#), and the annual report prepared by each district as required by [NRS 387.303](#), and report the findings of the review to the State Board and the Legislative Committee on Education, with any recommendations for legislation, revisions to regulations or training needed by school district employees. The report by the Department must identify school districts which failed to comply with any statutes or administrative regulations of this State or which had any:

(a) Long-term obligations in excess of the general obligation debt limit;

(b) Deficit fund balances or retained earnings in any fund;

(c) Deficit cash balances in any fund;

(d) Variances of more than 10 percent between total general fund revenues and budgeted general fund revenues; or

(e) Variances of more than 10 percent between total actual general fund expenditures and budgeted total general fund expenditures.

3. In preparing its biennial budgetary request for the State Distributive School Account, consult with the superintendent of schools of each school district or a person designated by the superintendent.

4. Provide, in consultation with the Budget Division of the Department of Administration and the Fiscal Analysis Division of the Legislative Counsel Bureau, training to the financial officers of school districts in matters relating to financial accountability.

(Added to NRS by [1999, 2924](#); A [2005, 2161](#))

NRS 387.3045 Report of decline in ending balance of general fund of school district. If the ending balance of the general fund of a school district has declined for 3 consecutive years, the school district shall submit to the Committee on Local Government Finance created pursuant to [NRS 354.105](#) a written explanation of the cause of the decline.

(Added to NRS by [1999, 1358](#); A [2001, 1827](#))

NRS 387.305 Medium-term obligations. A medium-term obligation for the purpose of meeting a great necessity may be authorized by the board of trustees of a school district in the manner provided in [chapter 350](#) of NRS.

[150:32:1956]—(NRS A 1973, 18; [1995, 1827](#))

NRS 387.310 Order for payment of money; procedures for approval of orders and signing of cumulative voucher sheets; issuance of warrants; limitations; cancellation.

1. Except as otherwise provided by the board of trustees, the clerk of the board shall draw all orders for the payment of money belonging to the school district. The orders must be listed on cumulative voucher sheets.

2. The board of trustees shall prescribe the procedures by which the orders must be approved and the cumulative voucher sheets signed. The procedures must provide:

(a) That the approval of the board of trustees is required before orders are paid unless a payment must be expedited for the school district to:

- (1) Receive a discount or other savings which is related to the timeliness of payment;
- (2) Avoid a service charge or other cost which is related to the timeliness of payment; or
- (3) Abide by a purchase order, contract or other order for payment which has been approved by the board of trustees at a public meeting.

(b) For ratification by the board of trustees at its next regularly scheduled meeting of any payment that is made without the approval of the board pursuant to an exception set forth in paragraph (a).

3. When the orders have been approved and the cumulative voucher sheets have been signed in accordance with such procedures, the orders are valid vouchers in the hands of the county auditor for the county auditor to issue warrants on the county treasurer to be paid out of money belonging to the school district.

4. No order in favor of the board of trustees or any member thereof, except for salaries as required by [NRS 386.320](#) or travel expenses and subsistence as authorized by [NRS 386.290](#), may be drawn.

5. No order for salary for any teacher may be drawn unless the teacher is included in the directory of teachers supplied to the clerk of the board of trustees pursuant to the provisions of [NRS 391.045](#).

6. An order drawn by a clerk of a board of trustees pursuant to subsection 1 is void if not presented for payment within 1 year after the date of issuance.

7. Any order remaining unpaid after the expiration of 1 year, whether outstanding or uncalled for in the office of the county auditor, must be cancelled by the county auditor, who shall immediately notify the county treasurer of the cancellation. The county treasurer shall not pay a warrant presented for payment more than 1 year after the date of issuance of such an order. This subsection does not apply if the board of trustees establishes and administers a separate account pursuant to [NRS 354.603](#).

[151:32:1956]—(NRS A 1959, 262; 1961, 41; 1967, 816; 1969, 127; 1971, 117; 1979, 1590; [1993, 423, 1189; 1995, 1737; 2007, 2451](#))

NRS 387.315 Statements of purpose and invoices to accompany orders; liability of trustees.

1. Every order drawn by the clerk of the board of trustees of a school district must be accompanied by an itemized statement of the purpose or purposes for which the order is issued, and a true copy of an itemized invoice drawn by the person, association, firm or corporation in whose favor the order is drawn. The statement and a true copy of the invoice must be filed in the office of the county auditor and is subject to inspection by the Superintendent of Public Instruction. Statements and invoices shall be kept on file until ordered destroyed by the Superintendent.

2. No order for the payment of money of any school district may be issued by the clerk of the board of trustees unless there is in the county treasury, to the credit of the school district, a sum of money equal to the full amount for which the order is issued, and available for the purpose of the order.

3. If the clerk of any board of trustees draws any order for the payment of school money in violation of law, the members of the board of trustees are jointly and severally liable for the amount of the order.

[152:32:1956]—(NRS A 1959, 27, 803; 1979, 1591)

NRS 387.317 Rejection of order by county auditor; return of order with endorsed statement for rejection. If a county auditor refuses to allow any order of the board of trustees for the payment of

school district moneys, in whole or in part, the county auditor shall immediately return such order to the board with a statement of, and his or her reasons for, rejection endorsed on the order.

(Added to NRS by 1961, 41)

NRS 387.319 Authorized travel by trustee: Payment of travel and subsistence; claims.

1. Any travel by trustees of the school district, other than as provided for in [NRS 386.290](#), required for the transaction of official business of the school district shall first be authorized by the board of trustees. When such travel is authorized, trustees of the school district shall receive the travel expenses and per diem allowances provided for state officers and employees generally.

2. Claims for travel expenses and per diem allowances authorized in subsection 1 shall be presented and allowed as provided by law for other claims against the school district.

(Added to NRS by 1963, 608; A [2007, 602](#))

NRS 387.320 Quarterly publication of expenditures of school district.

1. During each quarter of each school year, the clerk of the board of trustees of a county school district shall cause to be published a list of expenditures of the county school district made during the previous quarter school year. The published list of expenditures shall be in the form prescribed by the Superintendent of Public Instruction.

2. The publication required by subsection 1 shall be printed in some newspaper published and of general circulation in the county the boundaries of which are conterminous with the boundaries of the county school district.

3. The newspaper described in subsection 2 must possess the qualifications prescribed in [chapter 238](#) of NRS.

4. If no qualified newspaper is published within a county, then the required publication shall be printed in some qualified newspaper printed in the State of Nevada and having a general circulation within the county.

[153:32:1956]—(NRS A 1957, 189; 1971, 523; 1979, 1591)

NRS 387.325 Limitation of actions on bills incurred by trustees. No action can be maintained against any board of trustees upon any bill not presented for payment to the board of trustees within 6 months of the time when the bill was incurred.

[154:32:1956]

FINANCING OF CONSTRUCTION OF SCHOOLS AND OTHER PROJECTS

Fund for Capital Projects

NRS 387.328 Establishment; purposes; accumulation of money for specified period; source; reversion prohibited; pledge of proceeds for payment on bonds.

1. The board of trustees of each school district shall establish a fund for capital projects for the purposes set forth in subsection 1 of [NRS 387.335](#). The money in the fund for capital projects may be transferred to the debt service fund to pay the cost of the school district's debt service.

2. The board of trustees may accumulate money in the fund for capital projects for a period not to exceed 20 years.

3. That portion of the governmental services tax whose allocation to the school district pursuant to [NRS 482.181](#) is based on the amount of the property tax levy attributable to its debt service must be deposited in the county treasury to the credit of the fund established under subsection 1 or the school district's debt service fund.

4. No money in the fund for capital projects at the end of the fiscal year may revert to the county school district fund, nor may the money be a surplus for any other purpose than those specified in subsection 1.

5. The proceeds of the taxes deposited in the fund for capital projects pursuant to [NRS 244.3354](#), [268.0962](#), [375.070](#), [377C.110](#) and [387.3288](#) and, in a county whose population is 100,000 or more but less than 700,000, the portion of the governmental services tax whose allocation to the school district pursuant to [NRS 482.181](#) is based on the amount of the property tax levy attributable to its debt service may be pledged to the payment of the principal and interest on bonds or other obligations issued for one or more of the purposes set forth in [NRS 387.335](#). The proceeds of such taxes so pledged may be treated as pledged revenues for the purposes of subsection 3 of [NRS 350.020](#), and the board of trustees of a school district may issue bonds for those purposes in accordance with the provisions of [chapter 350](#) of NRS.

[147:32:1956]—(NRS A 1971, 522; 1979, 1590; 1981, 1545; 1983, 1635; [1985, 143](#); [1987, 1320](#); [1993, 110](#); [1997, 2454](#); [2001, 306](#); [2001 Special Session, 140, 159](#); [2013, 2800](#))

NRS 387.3285 Tax for fund for capital projects: Levy; contents of ballot question; deposit of money; special election.

1. Upon the approval of a majority of the registered voters of a county voting upon the question at a general or special election, the board of county commissioners in each county with a school district whose enrollment is fewer than 25,000 pupils may levy a tax which, when combined with any tax imposed pursuant to [NRS 387.3287](#), is not more than 75 cents on each \$100 of assessed valuation of taxable property within the county. The question submitted to the registered voters must contain the rate of the proposed additional property tax, stated in dollars and cents per \$100 assessed valuation, the purpose of the proposed additional property tax, the duration of the proposed additional property tax and an estimate established by the board of trustees of the increase in the amount of property taxes that an owner of a new home with a fair market value of \$100,000 will pay per year as a result of the passage of the question. The duration may not exceed 20 years.

2. Upon the approval of a majority of the registered voters of a county voting upon the question at a general or special election, the board of county commissioners in each county with a school district whose enrollment is 25,000 pupils or more may levy a tax which, when combined with any tax imposed pursuant to [NRS 387.3287](#), is not more than 50 cents on each \$100 of assessed valuation of taxable property within the county. The question submitted to the registered voters must contain the rate of the proposed additional property tax, stated in dollars and cents per \$100 assessed valuation, the purpose of the proposed additional property tax, the duration of the proposed additional property tax and an estimate established by the board of trustees of the increase in the amount of property taxes that an owner of a new home with a fair market value of \$100,000 will pay per year as a result of the passage of the question. The duration may not exceed 20 years.

3. Any money collected pursuant to this section must be deposited in the county treasury to the credit of the fund for capital projects to be held and, except as otherwise provided in [NRS 387.3287](#), to be expended in the same manner as other money deposited in that fund.

4. A special election may be held:

(a) At any time, including, without limitation, on the date of a primary city election or a primary state election if the board of trustees of the school district determines, by a unanimous vote, that an emergency exists; or

(b) On the first Tuesday after the first Monday in June of an odd-numbered year.

5. The determination made by the board of trustees pursuant to subsection 4 that an emergency exists is conclusive unless it is shown that the board of trustees acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the board of trustees must be commenced

within 15 days after the determination made by board of trustees is final. As used in this subsection, “emergency” means an unexpected occurrence or combination of occurrences that requires immediate action by the board of trustees of the school district to prevent or mitigate a substantial financial loss to the school district or to enable the board of trustees to provide an essential service.

(Added to NRS by 1983, 1634; A [1985, 144](#); [1987, 1320](#); [1989, 681](#); [1991, 2207](#); [1995, 369](#); [1999, 1084](#); [2001, 604](#))

NRS 387.3286 Tax for fund for capital projects: Forms for submission of ballot question; examples.

1. The Committee on Local Government Finance shall annually provide to each county clerk and district attorney:

(a) Forms for submitting a ballot question to the registered voters of a county for the imposition of an additional property tax pursuant to [NRS 387.3285](#); and

(b) Examples of past ballot questions for the imposition of an additional property tax.

2. The county clerk or district attorney may make these forms and examples available to the general public.

(Added to NRS by [1999, 1084](#))

NRS 387.3287 Tax for account for replacement of capital assets or construction of new buildings for schools to accommodate community growth.

1. Except as otherwise provided in subsections 4 and 5, upon the approval of a majority of the registered voters of a county voting upon the question, the board of county commissioners in each county may levy a separate tax pursuant to the provisions and subject to the limitations of [NRS 387.3285](#).

2. Money raised pursuant to this section must be deposited in the county treasury to the credit of the fund for capital projects and must be maintained in a separate budgetary account for the replacement of capital assets. All interest and income earned on the money in the account must be credited to the account. Except as otherwise provided in subsection 3, money in the account must only be expended for the renovation or replacement of depreciating capital assets of the county school district.

3. Money raised pursuant to this section may be expended for the construction of new buildings for schools to accommodate community growth if the expenditure is approved by a majority of the registered voters of the county voting upon the question. An expenditure proposed pursuant to the provisions of this subsection must be submitted as a separate question to the voters on the ballot at a primary, general or special election.

4. The replacement value of the capital assets of a county school district must be determined by the board of trustees of the county school district before any property tax is levied pursuant to subsection 1. The replacement value may be redetermined before July 1 of each year to become effective for the purposes of this section on the first day of the next fiscal year.

5. The property tax authorized in subsection 1 may not be imposed or collected if the account for the replacement of capital assets contains revenue in an amount equal to or more than 30 percent of the replacement value of the capital assets of the county school district.

(Added to NRS by [1989, 680](#); A [1999, 1085](#))

NRS 387.3288 Authorization for board of county commissioners in certain counties to levy additional property tax for deposit in fund for capital projects; deadline prescribed.

1. On or before January 1, 2014, the board of county commissioners of each county whose population is 100,000 or more but less than 700,000 may, in addition to any other taxes levied in accordance with this chapter, levy an ad valorem tax of 5 cents on each \$100 of assessed valuation of

taxable property within the county for the capital projects of the school district. Any such levy must be approved by a two-thirds majority of the members of the board.

2. Any money collected pursuant to this section must be deposited in the county treasury to the credit of the fund for capital projects established pursuant to [NRS 387.328](#), to be held and expended in the same manner as other money deposited in that fund.

3. The rate of any tax levied pursuant to subsection 1 must not be included in the total ad valorem tax levy for the purposes of the application of the limitation in [NRS 361.453](#).

(Added to NRS by [2013, 2800](#))

Tax on Residential Construction

NRS 387.329 Definitions. As used in [NRS 387.331](#):

1. "Apartment house" means a building arranged in several suites of connecting rooms, each suite designed for independent housekeeping, but with certain typical mechanical conveniences, such as air-conditioning, heat, light or elevator services shared in common by all families occupying the building.

2. "Lot for a mobile home" means any area or tract of land designated, designed or used for the occupancy of a mobile home. A "mobile home" is a vehicle without motive power designed or equipped for living purposes and to carry property or passengers wholly on its own structure and to be drawn by a motor vehicle.

3. "Residential dwelling unit" means a building or a portion of a building planned, designed or used as a residence for one family only, living independently of other families or persons, and having its own bathroom and housekeeping facilities included in the unit.

(Added to NRS by 1979, 1287)

NRS 387.331 Imposition of tax in school district whose population is less than 55,000; limitation on amount; deposit of proceeds.

1. The tax on residential construction authorized by this section is a specified amount which must be the same for each:

- (a) Lot for a mobile home;
- (b) Residential dwelling unit; and
- (c) Suite in an apartment house,

È imposed on the privilege of constructing apartment houses and residential dwelling units and developing lots for mobile homes.

2. The board of trustees of any school district whose population is less than 55,000 may request that the board of county commissioners of the county in which the school district is located impose a tax on residential construction in the school district to construct, remodel and make additions to school buildings. Whenever the board of trustees takes that action, it shall notify the board of county commissioners and shall specify the areas of the county to be served by the buildings to be erected or enlarged.

3. If the board of county commissioners decides that the tax should be imposed, it shall notify the Nevada Tax Commission. If the Commission approves, the board of county commissioners may then impose the tax, whose specified amount must not exceed \$1,600.

4. The board shall collect the tax so imposed, in the areas of the county to which it applies, and may require that administrative costs, not to exceed 1 percent, be paid from the amount collected.

5. The money collected must be deposited with the county treasurer in the school district's fund for capital projects to be held and expended in the same manner as other money deposited in that fund.

(Added to NRS by 1979, 1287; A 1983, 1635; [1989, 1924](#); [1997, 2358](#); [2001, 1987](#); [2011, 1247](#))

NRS 387.332 Duty of Nevada Tax Commission to review need for tax. The Nevada Tax Commission shall, every 4 years after it has approved the imposition of a tax on residential construction in a particular county or area of a county, review the need for the tax under the circumstances existing at the time of the review. If the Commission finds that the tax is no longer needed, it shall so inform the board of county commissioners of that county, who shall repeal the tax as of the end of the current fiscal year.

(Added to NRS by 1979, 1288)

Fund to Assist School Districts in Financing Capital Improvements

NRS 387.333 Creation; acceptance of gifts and grants; investment; payment of claims.

1. The Fund to Assist School Districts in Financing Capital Improvements is hereby created in the State Treasury, to be administered by the Director of the Department of Administration. All money received and held by the State Treasurer for the purpose of the Fund must be deposited in the Fund.

2. The Director of the Department of Administration may accept gifts and grants from any source for deposit in the Fund.

3. The money in the Fund must be invested as the money in other state funds is invested. All interest and income earned on the money in the Fund must be credited to the Fund.

4. Claims against the Fund must be paid as other claims against the State are paid.

(Added to NRS by [1999, 3218](#))

NRS 387.3335 Application for grant; proof of emergency conditions; determinations by Department of Taxation and State Public Works Division; approval by State Board of Examiners; awards of grants.

1. The board of trustees of a school district may apply to the Director of the Department of Administration for a grant of money from the Fund created pursuant to [NRS 387.333](#) on a form provided by the Director of the Department of Administration. The application must be accompanied by proof that the following emergency conditions exist within the school district:

(a) The assessed valuation of the taxable property in the county in which the school district is located is declining and all other resources available to the school district for financing capital improvements are diminishing;

(b) The combined ad valorem tax rate of the county is at the limit imposed by [NRS 361.453](#); and

(c) At least:

(1) One building that is located on the grounds of a school within the school district has been condemned;

(2) One of the facilities that is located on the grounds of a school within the school district is unsuitable for use as a result of:

(I) Structural defects;

(II) Barriers to accessibility; or

(III) Hazards to life, health or safety, including, without limitation, environmental hazards and the operation of the facility in an unsafe manner; or

(3) One of the facilities that is located on the grounds of a school within the school district is in such a condition that the cost of renovating the facility would exceed 40 percent of the cost of constructing a new facility.

2. Upon receipt of an application submitted pursuant to subsection 1, the Director of the Department of Administration shall forward the application to the:

(a) Department of Taxation to determine whether or not:

(1) The application satisfies the showing of proof required pursuant to paragraphs (a) and (b) of subsection 1; and

(2) The board of county commissioners in the county in which the school district is located has imposed a tax of more than one-eighth of 1 percent pursuant to [NRS 377B.100](#);

(b) State Public Works Division of the Department of Administration to determine whether the application satisfies the showing of proof required pursuant to paragraph (c) of subsection 1; and

(c) Department of Education for informational purposes.

3. The Department of Taxation and the State Public Works Division shall submit written statements of their determinations pursuant to subsection 2 regarding an application to the Director of the Department of Administration. Upon receipt of such statements, the Director shall submit the application accompanied by the written statements from the Department of Taxation and State Public Works Division to the State Board of Examiners for approval.

4. The Director of the Department of Administration shall make grants from the Fund created pursuant to [NRS 387.333](#) based upon the need of each school district whose application is approved by the State Board of Examiners.

5. The Director of the Department of Administration shall adopt regulations that prescribe the annual deadline for submission of an application to the Director of the Department of Administration by a school district that desires to receive a grant of money from the Fund.

(Added to NRS by [1999, 3218](#))

Issuance of Bonds

NRS 387.335 Issuance of general obligations by board of trustees: Authorized purposes; combining questions for voting.

1. The board of trustees of a county school district may issue its general obligations to raise money for the following purposes, and no others:

(a) Construction, design or purchase of new buildings for schools, including, but not limited to, teacherages, dormitories, dining halls, gymnasiums and stadiums.

(b) Enlarging, remodeling or repairing existing buildings or grounds for schools, including, but not limited to, teacherages, dormitories, dining halls, gymnasiums and stadiums.

(c) Acquiring sites for building schools, or additional real property for necessary purposes related to schools, including, but not limited to, playgrounds, athletic fields and sites for stadiums.

(d) Paying expenses relating to the acquisition of school facilities which have been leased by a school district pursuant to [NRS 393.080](#).

(e) Purchasing necessary motor vehicles and other equipment to be used for the transportation of pupils or furniture and equipment for schools. If money from the issuance of general obligations is used to purchase vehicles and other equipment used for the transportation of pupils or furniture and equipment to replace existing vehicles and equipment or furniture and equipment, as applicable, and the existing vehicles and equipment or furniture and equipment subsequently are sold, the proceeds from the sale must be applied toward the retirement of those obligations.

2. Any one or more of the purposes enumerated in subsection 1 may, by order of the board of trustees entered in its minutes, be united and voted upon as one single proposition.

3. Any question submitted pursuant to this section and any question submitted pursuant to [NRS 387.3285](#) may, by order of the board of trustees entered in its minutes, be united and voted upon as a single proposition.

[155:32:1956]—(NRS A 1971, 2119; 1975, 870; 1981, 961; [1985, 144](#); [1989, 681](#); [1997, 2455](#); [2001, 2333](#); [2003, 2136](#), [2137](#); [2009, 2139](#); [2013, 710](#))

NRS 387.400 Limitation on bonded indebtedness of county school district. The total bonded indebtedness of a county school district must at no time exceed an amount equal to 15 percent of the

total of the last assessed valuation of taxable property, excluding motor vehicles, situated within the county school district.

[168:32:1956]—(NRS A 1963, 347; 1979, 1592; [1989, 1882](#); [1995, 179](#))

NRS 387.510 Abolition or change of boundaries of county school district; liability for bonded indebtedness.

1. Whenever a county is abolished as provided in [Section 36 of Article IV](#) of the Constitution of the State of Nevada and [NRS 243.420](#) to [243.455](#), inclusive, the county school district whose boundaries are conterminous with the boundaries of the county abolished shall, by such action, also be abolished.

2. When all of the territory of an abolished county is included within the territory of an existing county, the territory of the abolished county school district shall be included within the county school district whose boundaries are conterminous with the boundaries of the existing county.

3. When all of the territory of an abolished county is included within the territory of two or more existing counties, the territory of the abolished county school district shall be included within the territory of the county school districts whose boundaries are conterminous with the boundaries of the existing counties.

4. When a portion of a county is detached and annexed to another county, that portion so detached and annexed shall become a part of the county school district whose boundaries are conterminous with the boundaries of the county to which the portion is annexed.

5. When territory is taken from one county school district and annexed to another, the territory becomes liable to taxation for the bonded indebtedness of the district to which it is annexed.

6. The State Board of Education shall, by order entered on its minutes, within 60 days after the changes, determine what proportion of the outstanding bonded indebtedness of the county school district, from which territory was taken, was incurred for the acquisition or improvement of school sites, buildings or fixtures situated in the territory transferred. The district to which the territory was annexed shall thereupon become liable for the proportion of the indebtedness so determined.

[190:32:1956]

Guarantee of Bonds With Money From State Permanent School Fund

NRS 387.513 “Executive Director” defined. As used in [NRS 387.513](#) to [387.528](#), inclusive, unless the context otherwise requires, “Executive Director” means the Executive Director of the Department of Taxation.

(Added to NRS by [1997, 2707](#); A [1999, 599](#))

NRS 387.516 Application for guarantee agreement; duties of State Treasurer; limitations on amount of guarantee; ineligibility of certain obligations; investigation and report by Executive Director.

1. The board of trustees of a school district may apply to the State Treasurer for a guarantee agreement whereby money in the State Permanent School Fund is used to guarantee the payment of the debt service on bonds that the school district will issue. The amount of the guarantee for bonds of each school district outstanding at any one time must not exceed \$40,000,000.

2. The application must be on a form prescribed by the State Treasurer. The State Treasurer shall develop the form in consultation with the Executive Director.

3. Medium-term obligations entered into pursuant to the provisions of [NRS 350.087](#) to [350.095](#), inclusive, are not eligible for guarantee pursuant to [NRS 387.513](#) to [387.528](#), inclusive.

4. Upon receipt of an application for a guarantee agreement from a school district, the State Treasurer shall provide a copy of the application and any supporting documentation to the Executive Director. As soon as practicable after receipt of a copy of an application, the Executive Director shall

investigate the ability of the school district to make timely payments on the debt service of the bonds for which the guarantee is requested. The Executive Director shall submit a written report of the investigation to the State Board of Finance indicating his or her opinion as to whether the school district has the ability to make timely payments on the debt service of the bonds.

(Added to NRS by [1997, 2707](#); A [1999, 599](#); [2001, 2334](#); [2007, 1089, 2524](#))

NRS 387.519 Conditions under which State Treasurer may enter into guarantee agreement.

The State Treasurer may enter into a guarantee agreement if:

1. The report submitted by the Executive Director indicates that a school district has the ability to make timely payments on the debt service of the bonds;
2. The State Board of Finance approves the report submitted by the Executive Director; and
3. The State Treasurer has determined that the amount of bonds to be guaranteed under the agreement, in addition to the total amount of outstanding bonds guaranteed pursuant to [NRS 387.513](#) to [387.528](#), inclusive, does not exceed the limitation established by subsection 1 of [NRS 387.522](#).

(Added to NRS by [1997, 2707](#); A [1999, 599](#))

NRS 387.522 Limitation on total amount of outstanding bonds that may be guaranteed; certification by State Treasurer deemed pledge by this state.

1. The total amount of outstanding bonds guaranteed pursuant to [NRS 387.513](#) to [387.528](#), inclusive, must not exceed:

(a) Two hundred fifty percent of the lower of the cost or fair market value of the assets in the State Permanent School Fund;

(b) A percentage of the lower of the cost or fair market value of the assets in the State Permanent School Fund specified for this purpose by section 148 of the Internal Revenue Code of 1986, 26 U.S.C. § 148, or regulations adopted pursuant to that section; or

(c) A percentage of the lower of the cost or fair market value of the assets in the State Permanent School Fund certified by the State Treasurer as the percentage used to determine the maximum amount of bonds that may be guaranteed pursuant to [NRS 387.513](#) to [387.528](#), inclusive, Æ whichever is less.

2. A certification by the State Treasurer pursuant to paragraph (c) of subsection 1 shall be deemed a pledge by this state that, at the time a guarantee agreement is entered into, the total amount of bonds that are guaranteed pursuant to [NRS 387.513](#) to [387.528](#), inclusive, will not exceed the percentage certified by the State Treasurer pursuant to paragraph (c) of subsection 1.

(Added to NRS by [1997, 2708](#); A [1999, 599](#))

NRS 387.524 Guarantee agreement: Required contents; approvals required.

1. A guarantee agreement entered into pursuant to [NRS 387.519](#) must:

(a) Require the board of trustees of the school district to appoint the State Treasurer, or a commercial bank designated by the State Treasurer, as paying agent for the debt service on the bonds;

(b) Specify the number of days before a payment on the debt service of the bonds is due that the paying agent must receive the payment from the school district;

(c) Require the board of trustees of the school district to deposit the amount of money due for each payment with the paying agent within the period specified by paragraph (b);

(d) Require that if the school district is unable to make a payment, the board of trustees of the school district or the superintendent of schools of the district shall provide written notice to the State Treasurer at least 60 days before the payment is due;

(e) If a loan is made to a school district pursuant to [NRS 387.526](#), require the board of trustees of the school district to repay the loan as provided by [NRS 387.528](#);

(f) Be signed by the State Treasurer and the president of the board of trustees of the school district; and

(g) Be approved by a resolution of the State Board of Finance and the board of trustees of the school district.

2. A guarantee agreement may include such other provisions as the State Treasurer determines necessary.

(Added to NRS by [1997, 2708](#); A [1999, 599](#))

NRS 387.526 Loan to school district upon failure to make timely payment on debt service of guaranteed bonds: Duties of State Treasurer and Executive Director; interest; restrictions on school district.

1. If a school district fails to make a timely payment on the debt service of bonds that are guaranteed pursuant to the provisions of [NRS 387.513](#) to [387.528](#), inclusive, the State Treasurer shall:

(a) Withdraw from the State Permanent School Fund the amount of money due for the payment on the debt service;

(b) Make the payment on the debt service; and

(c) Report the payment to the Executive Director.

2. The amount of money withdrawn pursuant to subsection 1 shall be deemed a loan to the school district from the State Permanent School Fund. The State Treasurer shall determine the rate of interest on the loan, which must not exceed 1 percent above the average rate of interest yielded on investments in the State Permanent School Fund on the date that the loan is made. A loan that is made to a school district pursuant to this subsection is a special obligation of the school district and is payable only from the sources specified in [NRS 387.528](#).

3. A school district that receives a loan pursuant to this section shall not:

(a) Include the loan as a general obligation of the school district when determining any limit on the debt of the school district.

(b) Unless the school district obtains the written approval of the Executive Director, for the period during which the loan is unpaid, enter into any medium-term obligations or installment-purchase agreement pursuant to the provisions of [NRS 350.087](#) to [350.095](#), inclusive, or otherwise borrow money.

4. If the Executive Director receives notice that a loan has been made pursuant to this section, the Executive Director shall proceed pursuant to the provisions of [NRS 354.685](#).

(Added to NRS by [1997, 2708](#); A [1999, 599](#); [2001, 2335](#))

NRS 387.528 Repayment of loan by school district; duty of State Treasurer to withhold other money from school district upon failure to repay.

1. If a loan is made from the State Permanent School Fund pursuant to [NRS 387.526](#), the loan must be repaid by the school district from the money that is available to the school district to pay the debt service on the bonds that are guaranteed pursuant to the provisions of [NRS 387.513](#) to [387.528](#), inclusive, unless payment from that money would cause the school district to default on other outstanding bonds, medium-term obligations or installment-purchase agreements entered into pursuant to the provisions of [NRS 350.087](#) to [350.095](#), inclusive.

2. If the school district is not able to repay fully the loan, including any accrued interest, in a timely manner pursuant to subsection 1 or by any other lawful means, the State Treasurer shall withhold the payments of money that would otherwise be distributed to the school district from:

(a) The interest earned on the State Permanent School Fund that is distributed among the various school districts;

(b) Distributions of the local school support tax, which must be transferred by the State Controller upon notification by the State Treasurer; and

(c) Distributions from the State Distributive School Account, until the loan is repaid, including any accrued interest on the loan. The State Treasurer shall apply the money first to the interest on the loan and, when the interest is paid in full, then to the balance. When the interest and balance on the loan are repaid, the State Treasurer shall resume making the distributions that would otherwise be due to the school district.

(Added to NRS by [1997, 2709](#); A [1999, 599](#); [2001, 2335](#))

Joint Facilities and Projects

NRS 387.531 Joint acquisition authorized; issuance of negotiable general obligation bonds.

1. Notwithstanding the provisions of any other law, the boards of trustees of county school districts are encouraged, authorized and empowered to acquire any or all of the facilities or projects specified in subsection 1 of [NRS 387.335](#) jointly, as money may be made available therefor, including, without limitation, proceeds of bonds issued pursuant to this chapter and gifts and grants from any source.

2. Subject to the provisions of [NRS 387.541](#), each such county school district, acting by and through its board of trustees, is authorized and empowered, in its name and upon its behalf, to issue the school district's negotiable, coupon, general obligation bonds for defraying all or any part of the cost of the facility or project.

(Added to NRS by 1971, 527; A [1997, 2455](#); [2007, 373](#))

NRS 387.541 Issuance of bonds: Approval of debt management commission and voters required; applicability of Local Government Securities Law.

1. Bonds of any such county school district for the joint facility must not be issued unless:

(a) The bonds are approved by the debt management commission of the particular county pursuant to [NRS 350.011](#) to [350.0165](#), inclusive; and

(b) The registered voters of each of the county school districts approve a proposal for the issuance of the bonds of the particular county school district pursuant to the provisions of this chapter.

2. If proposals for the issuance of each school district's general obligation bonds carry as provided in subsection 1, each school district, acting by and through its board of trustees, for the purpose of defraying all or any part of the cost of the joint facility or project, may borrow money and otherwise become obligated in the total authorized principal amount, and may issue within 6 years after the date of the election authorizing the issue, bonds and other securities of the county school district constituting its general obligations to evidence obligations, in accordance with the Local Government Securities Law.

3. This section does not prevent any county school district from funding, refunding or reissuing at any time any securities of the county school district pertaining to the facility or project as provided in the Local Government Securities Law, except as therein limited.

(Added to NRS by 1971, 527; A [1985, 286](#); [1995, 772](#))

NRS 387.551 Joint operation and maintenance: Powers of districts.

1. Subject to any contractual provisions between the county school districts, including, without limitation, a compact entered into pursuant to [NRS 387.563](#), if applicable, such county school districts hereby are jointly and severally authorized and empowered to:

(a) Operate and maintain the facility or project upon its completion;

(b) Extend, better, alter, reconstruct, repair and otherwise improve the facility or project;

(c) Equip and reequip the facility or project;

(d) Sell, lease, exchange, transfer, assign or otherwise dispose of property pertaining to the facility or project which no longer is necessary or desirable for use in connection therewith;

(e) Insure or provide for public liability insurance, property damage insurance and other insurance for the facility or project, or any part thereof, or any activity in connection therewith, against such risks and hazards as either or both county school districts may deem advisable;

(f) Receive, control, invest and order the expenditure of any money pertaining to the facility or project;

(g) Arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works or facilities for, or in connection with, the facility, and to assign, reassign and transfer any personnel of either county school district for the performance of duties in connection with the facility or project;

(h) Make available for temporary use or otherwise dispose of any machinery, equipment, facilities and other property for the facility or project;

(i) Make and keep records in connection with the facility or project;

(j) Arbitrate any differences arising in connection with the facility or project;

(k) Commence, defend, conduct, terminate by settlement or otherwise, and otherwise participate in any litigation or other court, judicial or quasi-judicial action, by suit, action, mandamus or other proceedings, concerning the facility or project;

(l) Use for or in connection with the facility or project money, land and other real and personal property legally available therefor of either county school district not originally acquired therefor;

(m) Levy and collect from year to year for use for or in connection with the facility or project general (ad valorem) property taxes in the manner provided by law, including, without limitation, the payment of indebtedness incurred therefor;

(n) Budget and appropriate, and each county school district is hereby required and directed to budget and appropriate, from time to time, general (ad valorem) tax proceeds and other revenues legally available therefor to pay all obligations arising from the exercise of any powers herein granted as such obligations shall accrue and become due;

(o) Make contracts and execute all instruments necessary or convenient, including, without limitation, contracts with the Federal Government and the State;

(p) Acquire any construction work, improvement or improvements of any nature in connection with the facility or project in the manner provided by law;

(q) Prescribe and enforce reasonable rules and regulations for the use of the facility or project;

(r) Provide for an agency, by any agreement authorized in [NRS 387.531](#) to [387.591](#), inclusive, to administer or execute that or any collateral agreement, which agency may be one of the parties to the agreement, or an advisory council, a commission or a board constituted pursuant to the agreement;

(s) Provide that any such agency shall possess the common power specified in the agreement, and may exercise it in the manner or according to the method provided in the agreement, but such power is subject to the restrictions upon the manner of exercising the power of any one of the contracting parties as designated by the agreement;

(t) Continue any agreement herein authorized for a definite term not exceeding 50 years, or until rescinded or terminated, which agreement may provide for the method by which it may be rescinded or terminated by any party;

(u) Exercise all or any part or combination of the powers herein granted; and

(v) Do and perform any and all other acts and things necessary, convenient, desirable or appropriate to carry out the provisions of [NRS 387.531](#) to [387.591](#), inclusive, and to have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted in [NRS 387.531](#) to [387.591](#), inclusive.

2. The specific powers in subsection 1 must not be considered as a limitation upon any power necessary, convenient, desirable or appropriate to carry out the purposes and intent of [NRS 387.531](#) to [387.591](#), inclusive.

(Added to NRS by 1971, 527; A [2007, 374](#))

NRS 387.561 Interdistrict agreements and contracts. In addition to a compact entered into pursuant to [NRS 387.563](#), if applicable, county school districts may from time to time enter into agreements, short-term and long-term, but not exceeding a term of 50 years, with each other concerning the facility or project, including, without limitation:

1. Agreements concerning any power granted to either or both by [NRS 387.531](#) to [387.591](#), inclusive, the exercise of such powers, and conditions and limitations thereupon.
2. A contract allocating a portion of the facilities or project to the exclusive use and control of any party thereto.
3. A contract concerning the construction and equipment of the joint facility or project, the plans and specifications therefor, and the work and materials incidental thereto, including, without limitation, the acquisition or improvement of the site therefor, or both.
4. A contract for the ownership, care, custody, control, improvement, operation and maintenance of the facility or project after its acquisition and for defraying expenses incurred therefor.
5. A contract concerning the appointment of personnel for the facility or project.
6. A contract providing for rules, regulations and orders for the use by the public, and charges, if any, therefor.
7. A contract for the allocation between the county school districts of the total utilization of the facility or project, the method of effecting such allocation, and delineating the rights, if any, of leasing any space in the facility or project and any facilities pertaining thereto, and the manner in which any real property, equipment, and other personal property must be disposed of during or at the end of any contract term in the absence of subsequent agreement thereabout.
8. A contract concerning the maintenance of records of and for the facility or project, the termination of the joint operation and maintenance of the facility or project, and other legal, financial and administrative arrangements to effect the joint operation and maintenance of the facility or project and its disposal in an orderly and equitable manner.

(Added to NRS by 1971, 529; A [2007, 375](#))

NRS 387.563 Acquisition of facility or project for career and technical education; requirements of compact; establishment of advisory council; agreements with community and businesses authorized.

1. If two or more school districts acquire a facility or project jointly pursuant to the provisions of this section and [NRS 387.531](#) to [387.591](#), inclusive, for the purpose of providing career and technical education to pupils enrolled in high schools, the participating school districts shall enter into a compact that sets forth the terms of the agreement among the participating school districts concerning the joint facility or project. The compact must include, without limitation:

- (a) Provisions concerning the apportionment of expenses for the joint facility or project;
- (b) Provisions establishing the total number of pupils and the percentage of pupils from each school district that may enroll in each course or program of career and technical education offered by the joint facility or project;
- (c) Provisions concerning personnel for the joint facility or project;
- (d) Provisions establishing an advisory council to assist with oversight of the joint facility or project, the powers and duties of the advisory council and the number of members that must be appointed to the advisory council from among the membership of the board of trustees of each participating school district, which must include at least one member of the board of trustees of each participating school district appointed by the president of the board of trustees of the school district; and

(e) Any other provisions governing the operation of the joint facility or project as deemed necessary by the participating school districts.

2. The participating school districts may enter into one or more agreements of cooperation with representatives of the community and businesses and industry who are interested in the career and technical education offered by the joint facility or project. If such an agreement is entered into, the advisory council established pursuant to subsection 1 may appoint one or more of the representatives to the advisory council.

(Added to NRS by [2007, 373](#))

NRS 387.571 Powers, rights and benefits of officers, agents and employees of districts preserved. All of the powers, privileges, immunities and rights, exemptions from laws and rules, all retirement, relief, disability, industrial insurance and other benefits which apply to the activity of officers, agents or employees of the county school district employing them when performing their respective functions within the territorial limits of such political subdivision apply to them to the same degree and extent while engaged in the performance of any of their functions and duties, extraterritorially or otherwise, pursuant to any contract made under the provisions of [NRS 387.531](#) to [387.591](#), inclusive, and pursuant to a compact entered into pursuant to [NRS 387.563](#), if applicable, or otherwise, in connection with the facility or project and any activity pertaining thereto.

(Added to NRS by 1971, 530; A [2007, 376](#))

NRS 387.581 Public purpose. The exercise of any power authorized in [NRS 387.531](#) to [387.591](#), inclusive, upon behalf of any county school district by its board of trustees has been determined, and is hereby declared, to effect a public purpose, and the facility or project, as authorized, effects a public purpose.

(Added to NRS by 1971, 530; A [2007, 376](#))

NRS 387.591 Liberal construction; other powers preserved.

1. The provisions of [NRS 387.531](#) to [387.591](#), inclusive, being necessary to secure and preserve the public health, safety, convenience and welfare, shall be liberally construed to effect their purpose.

2. Nothing contained in the provisions of [NRS 387.531](#) to [387.591](#), inclusive, shall be construed as preventing the exercise of any power granted to either such county school district or any officer, agent or employee thereof, by any other law.

(Added to NRS by 1971, 530; A [2007, 376](#))

REVIEW OF SCHOOL DISTRICTS BASED UPON FINANCIAL MANAGEMENT PRINCIPLES

NRS 387.602 “Management principles” defined. As used in [NRS 387.602](#) to [387.644](#), inclusive, “management principles” means the financial management principles set forth in [NRS 387.622](#).

(Added to NRS by [2005, 2439](#))

NRS 387.607 Applicability to extent money is available. The provisions of [NRS 387.602](#) to [387.644](#), inclusive, apply only to the extent that money is made available by the Legislature to carry out the provisions of those sections. The Legislative Counsel Bureau may accept gifts, grants and other sources of money to provide financial assistance in expanding the number of school districts selected for reviews pursuant to [NRS 387.602](#) to [387.644](#), inclusive.

(Added to NRS by [2005, 2439](#))

NRS 387.613 Review of school districts; recommendations by Legislative Auditor; selection of school districts by Legislature; qualifications and selection of consultant to conduct reviews; monitoring and oversight of consultant; self-assessment by school district required.

1. Except as otherwise provided in [NRS 387.607](#), each school district must undergo a review pursuant to [NRS 387.602](#) to [387.644](#), inclusive, every 6 years unless the school district is granted an exemption from a review pursuant to [NRS 387.631](#) or [387.639](#). The reviews must be conducted in even-numbered years to ensure compliance with the deadlines set forth in [NRS 387.602](#) to [387.644](#), inclusive.

2. To ensure compliance with subsection 1, the Legislative Auditor shall, on or before February 1 of each odd-numbered year, submit a written list to the Director of the Legislative Counsel Bureau for transmission to the Legislature identifying each school district that the Legislative Auditor recommends for review in the next even-numbered year. The Legislature may, by concurrent resolution, accept the recommendations of the Legislative Auditor or revise the recommendations of the Legislative Auditor and select each school district to be reviewed in the next even-numbered year.

3. If a concurrent resolution is adopted pursuant to subsection 2, the Legislative Auditor shall, on or before September 1 after adoption of the resolution, issue a request for proposals, in accordance with any applicable procedures of the Legislative Counsel Bureau, for a qualified, independent consultant to conduct a review of each school district selected for a review. A consultant:

- (a) Must be located outside this State and have previous experience with auditing school districts or otherwise reviewing school districts based upon the management principles;
- (b) Must possess expertise and knowledge about the management principles;
- (c) Must be capable of performing the requirements of [NRS 387.602](#) to [387.644](#), inclusive, with integrity, objectivity and independence; and
- (d) Must not be regularly engaged with or doing business with a school district in this State.

4. The Legislative Auditor shall ensure that the request for proposals includes, without limitation:

- (a) The scope of the review, which must include an evaluation and determination of whether the school district is successfully carrying out the management principles;
- (b) A requirement that the consultant adhere to a standardized format for each review that it conducts, including, without limitation, a standard and consistent format for presentation of the data, information and results of each review; and
- (c) A requirement that the consultant include on the team that will conduct the review at least one person who has experience with auditing school districts or otherwise reviewing school districts in accordance with the management principles.

5. The Legislative Auditor shall review the proposals of applicants and prepare a list of those applicants that, in the determination of the Legislative Auditor, are the most qualified and capable of performing the requirements of [NRS 387.602](#) to [387.644](#), inclusive, with a ranking provided for each applicant. On or before November 15, the Legislative Auditor shall submit the list and rankings of qualified applicants to the State Board. On or before January 1 of the even-numbered year in which the review will be conducted, the State Board shall select a consultant from the list submitted by the Legislative Auditor. Upon selection by the State Board, the Legislative Counsel Bureau shall prepare a written agreement between the Bureau and the consultant in accordance with any applicable procedures of the Bureau. The consultant shall commence the review of each school district selected for a review not later than February 1.

6. The State Board is responsible for monitoring the performance of the consultant and authorizing payments to the consultant. Upon authorization of the State Board, the Legislative Counsel Bureau shall make the payments to the consultant. The oversight committee established pursuant to [NRS 387.618](#) shall assist the State Board in monitoring the performance of the consultant.

7. If a school district is selected for a review, the board of trustees of the school district shall conduct a self-assessment at least 60 days before the commencement of the review by the consultant. The self-assessment must include a review of the areas prescribed in subsection 2 of [NRS 387.622](#) based upon the management principles. The results of the self-assessment must be submitted to the

Department for transmission to the consultant not later than the date on which the review is commenced. The consultant shall use the self-assessment in the review of the school district.

(Added to NRS by [2005, 2439](#))

NRS 387.618 Establishment and duties of oversight committee to assist in process of review.

1. If a school district is selected for a review, an oversight committee must be established to assist the consultant in the process of the review for that school district. Each oversight committee must consist of:

- (a) One member of the general public, appointed by the Speaker of the Assembly;
- (b) One member of the general public, appointed by the Majority Leader of the Senate;
- (c) One member of the State Board, appointed by the President of the State Board;
- (d) One member of the board of trustees of the school district, appointed by the president of that board;
- (e) One member of a parent-teacher association located within the school district who has at least one child enrolled in a public school within the district, appointed by the Governor;
- (f) One representative of:
 - (1) The Nevada State Education Association, appointed by the President of that Association; or
 - (2) At the discretion of the President of the Nevada State Education Association, one representative of a recognized employee organization representing licensed educational personnel within the school district, appointed by a designated representative of that employee organization; and
- (g) One school administrator who is employed by the school district to provide administrative service at an individual school and not to provide service at the district level, appointed by the President of the Nevada Association of School Administrators.

2. An oversight committee established pursuant to subsection 1 shall monitor the progress of the consultant in conducting the review in accordance with [NRS 387.602](#) to [387.644](#), inclusive, including, without limitation, requesting periodic reports from the consultant on the status of the evaluation.

(Added to NRS by [2005, 2440](#))

NRS 387.622 Financial management principles and areas for review; additional review by consultant authorized.

1. Each school district selected for a review must be evaluated to determine whether the school district is successfully carrying out the following financial management principles:

- (a) Establishes and carries out policies, procedures and internal controls to process business transactions efficiently;
- (b) Uses cost-efficient measures to assess operations on a regular basis;
- (c) Carries out measures to improve services and reduce costs;
- (d) Maximizes the efficiency of money expended for public schools and ensures that resources are safeguarded;
- (e) Structures its organization and staff in a manner that provides efficiency and excellence in the delivery of a public education;
- (f) Establishes benchmarks for productivity and performance;
- (g) Makes financial planning and budgeting decisions in a manner that is linked to the priorities of the school district, including, without limitation, the performance of pupils;
- (h) Uses options for financing debt in a manner that provides for maximum efficiency;
- (i) Invests proceeds from bonds and operating resources to earn an appropriate and comparable rate of return; and
- (j) Uses debt management and investment policies in a manner that is representative of current market and risk profiles.

2. Each school district selected for a review must be evaluated based upon the management principles set forth in subsection 1 in each of the following areas:

- (a) Financial management;
- (b) Facilities management, including, without limitation, the plan for funding the rebuilding of older schools and the programs of preventative maintenance;
- (c) Personnel management;
- (d) District organization, including, without limitation, an evaluation of the efficiency and cost-effectiveness of the management structure of the school district to identify possible measures for cost-savings;
- (e) Employee health plans and health plans for retired employees;
- (f) Transportation, including, without limitation, an evaluation of whether the school district ensures the safe and efficient transportation of pupils;
- (g) Alignment with the needs and expectations of the public, including, without limitation, surveys of the residents of the community;
- (h) Effective delivery of educational services and programs; and
- (i) Any other area that, in the professional judgment and expertise of the consultant, warrants a review based upon the management principles.

3. In addition to the areas required to be reviewed pursuant to subsection 2, if a particular school within a school district that is selected for a review receives a sum of money for the purpose of providing education to pupils and the specific use of that money is otherwise within the sole discretion of the school, the consultant may:

- (a) Review the manner by which decisions were made concerning the use of that money;
- (b) Review the use of that money by the school; and
- (c) Track the expenditures made with that money.

Ê The consultant shall limit the scope of his or her review pursuant to this subsection to that particular sum of money and is not authorized to review all accounts and funds at a particular school.

(Added to NRS by [2005, 2441](#))

NRS 387.626 Duties of consultant; Department required to provide technical support; availability of books, accounts and records necessary for conducting review; confidentiality.

1. A consultant selected to perform a review of a school district shall:

- (a) Consider the results and recommendations of other audits, if any, conducted by or on behalf of the school district in the immediately preceding 6 years;
- (b) Hold at least one public meeting in the county in which the school district is located to explain the process of the review and to obtain information from school administrators, teachers, parents and guardians, pupils, members of the business community and other residents of the school district concerning the operation and management of the school district; and
- (c) Supervise and oversee his or her employees and other persons enlisted by the consultant to assist with the review.

2. The Department shall provide technical support and expertise to the consultant during the review to ensure that the objectives of the review and the requirements of [NRS 387.602](#) to [387.644](#), inclusive, are met.

3. Upon the request of the consultant, the Department, the board of trustees of the school district, the superintendent of schools of the school district and the employees of the school district shall make available to the consultant all books, accounts, claims, reports, vouchers, records and other information, confidential or otherwise, necessary for the consultant to carry out the review.

4. The consultant shall:

(a) Maintain the confidentiality of all information, records and data obtained for the purpose of carrying out the provisions of [NRS 387.602](#) to [387.644](#), inclusive;

(b) Use such information, records and data only for the purpose of carrying out the provisions of [NRS 387.602](#) to [387.644](#), inclusive, and for no other purposes;

(c) Require his or her employees and other persons enlisted by the consultant to assist with the review to comply with the confidentiality requirements of this subsection; and

(d) Keep or cause to be kept a complete file of copies of all reports of reviews conducted pursuant to [NRS 387.602](#) to [387.644](#), inclusive.

5. All working papers from a review conducted pursuant to [NRS 387.602](#) to [387.644](#), inclusive, are confidential and may be destroyed by the consultant 8 years after the final written report of the review is issued, except that the consultant:

(a) Shall release such working papers when subpoenaed by a court or when required to do so pursuant to [NRS 239.0115](#);

(b) Shall make such working papers available to the Legislative Auditor upon the request of the Auditor; and

(c) May make such working papers available for inspection by an authorized representative of any other governmental entity for a matter officially before him or her.

(Added to NRS by [2005, 2442](#); A [2007, 2096](#))

NRS 387.631 Final written report of review; issuance of preliminary report to school district; response by school district; exemption from next review for certain school districts; availability of reports to public.

1. The consultant shall complete the review of a school district within 6 months after the date on which the review is commenced. The consultant shall prepare a final written report of the review that:

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

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

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

(2) Be specific and detailed; and

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

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

2. The consultant shall furnish a copy of the preliminary report of the review to the superintendent of schools of the school district or the superintendent's designee and discuss the report with the superintendent or the superintendent's designee. Within 30 days after receipt of the preliminary report, the superintendent or the superintendent's designee shall prepare a written response to the preliminary report that includes a statement of explanation or rebuttal of any findings contained in the preliminary report. The consultant shall include the written response of the school district in his or her final written report submitted pursuant to subsection 1.

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

4. If the consultant determines that a school district is successfully carrying out the management principles for each of the areas set forth in subsection 2 of [NRS 387.622](#), the school district is exempt from its next 6-year review unless the Legislature subsequently determines that the conditions or circumstances occurring within the school district warrant another review pursuant to [NRS 387.602](#) to

[387.644](#), inclusive. If a school district is exempt pursuant to this subsection, the exemption is valid for only one review and the school district must undergo a review at least once every 12 years.

5. The preliminary report is confidential until the final report is submitted. After the final written report is submitted, the preliminary report and the final report must be made available to the general public.

(Added to NRS by [2005, 2443](#); A [2007, 1727](#))

NRS 387.636 School district required to hold public meeting concerning final report; vote whether to adopt corrective action plan; effect of failure to vote within prescribed time; appearance before Legislature under certain circumstances.

1. Upon receipt of a final written report pursuant to [NRS 387.631](#), the board of trustees of the school district shall hold a public meeting to review the findings and recommendations of the consultant. The consultant or the consultant's designee must be present at the meeting and available for discussion and questions.

2. Except as otherwise provided in subsection 3, not later than 90 days after the issuance of the final written report, the board of trustees of the school district shall vote on whether to adopt the plan for corrective action if such a plan is recommended by the consultant. The superintendent of schools of the school district shall provide written notice of the outcome of the vote to the State Board, the Legislative Auditor and the Director of the Legislative Counsel Bureau for transmission to the Legislature. The board of trustees of a school district may vote to reverse a decision not to adopt a plan for corrective action if sufficient time remains, as determined by the board of trustees, to carry out the management principles within 2 years after the issuance of the final report.

3. If the board of trustees of a school district does not vote on whether to adopt a plan for corrective action within 90 days after the issuance of the final written report, the:

(a) Superintendent of schools of the school district shall provide written notice to the State Board, the Legislative Auditor and the Director of the Legislative Counsel Bureau for transmission to the Legislature;

(b) Department may assess the situation and contact the members of the board of trustees to urge the board to take a vote; and

(c) State Board may allow an additional 30 days for the board of trustees to vote on the plan.

4. If the board of trustees of the school district does not vote on a plan for corrective action or if the board of trustees votes not to adopt a plan for corrective action, the members of the board of trustees may be required to appear and present testimony before the Legislature or a standing committee of the Legislature to examine any justification of the failure of the board of trustees to vote on the plan or to adopt the plan, as applicable.

(Added to NRS by [2005, 2444](#))

NRS 387.639 Reports by school district concerning progress on corrective action plan; review of reports by Legislative Auditor and Legislature; exemption from next review for certain school districts.

1. If the board of trustees of a school district adopts a plan for corrective action, the board of trustees of the school district shall prepare, on or before February 1:

(a) A written progress report for submission, in the even-numbered year after the plan is adopted, to the State Board, the Legislative Committee on Education and the Legislative Auditor.

(b) A final written report for submission, in the odd-numbered year after the plan is adopted, to the State Board, the Legislative Auditor and the Director of the Legislative Counsel Bureau for transmission to the Legislature.

2. The written progress report and the final written report must indicate the extent to which the plan has been carried out, the extent to which the plan has not been carried out and the reasons for any failure to carry out the plan.

3. Upon receipt of the final written report of the school district, the Legislative Auditor shall:

(a) Review the report and the plan for corrective action;

(b) Determine whether the school district successfully carried out the plan for corrective action and complies with the management principles for each of the areas set forth in subsection 2 of [NRS 387.622](#); and

(c) Submit a written report of the determination of the Auditor to the Legislature, including a recommendation whether the school district should be granted an exemption from its next 6-year review.

4. The Legislature or a standing committee of the Legislature may:

(a) Review the reports submitted pursuant to this section and the written determination of the Legislative Auditor; and

(b) Conduct hearings to examine any justification for the failure of a school district to carry out successfully the management principles or to fully carry out the plan for corrective action.

5. The Legislature may, by concurrent resolution, determine that the school district complies with the management principles and grant an exemption to the school district from its next 6-year review. If a school district is exempt pursuant to this subsection, the exemption is valid for only one review and the school district must undergo a review at least once every 12 years.

(Added to NRS by [2005, 2444](#))

NRS 387.644 Annual reporting by school districts exempt from review.

1. If a school district is granted an exemption pursuant to [NRS 387.631](#) or [387.639](#), the board of trustees of the school district shall provide written notice for each year that the exemption applies which includes:

(a) A determination of whether the school district continues to carry out the management principles; and

(b) Any changes in the policies or operations of the school district or any other circumstances occurring in the school district that do not conform to the management principles.

2. The written notice must be submitted on or before January 1 to:

(a) In even-numbered years, the State Board, the Legislative Committee on Education and the Legislative Auditor.

(b) In odd-numbered years, the State Board, the Legislative Auditor and the Director of the Legislative Counsel Bureau for transmission to the Legislature.

(Added to NRS by [2005, 2445](#))

MISCELLANEOUS PROVISIONS

NRS 387.800 Use of school buses for commercial advertising: Authorization; conditions; establishment of special revenue fund; authorized use of fees.

1. A board of trustees of a school district may:

(a) Authorize for commercial advertising the use of buses owned by the school district; and

(b) Establish the fees and other terms and conditions which are applicable to such advertising.

2. Any advertising authorized pursuant to subsection 1:

(a) Must conform with all applicable local ordinances regarding signs; and

(b) Must not:

(1) Promote hostility, disorder or violence;

(2) Attack ethnic, racial or religious groups;

- (3) Invade the rights of others;
- (4) Inhibit the functioning of the school;
- (5) Override the school's identity;
- (6) Promote the use of controlled substances, dangerous drugs, intoxicating liquor, tobacco or firearms;
- (7) Promote any religious organization;
- (8) Contain political advertising; or
- (9) Promote entertainment deemed improper or inappropriate by the board of trustees.

3. The board of trustees of each school district that receives money pursuant to subsection 1 shall establish a special revenue fund and direct that the money it receives pursuant to subsection 1 be deposited in that fund. Money in the fund must not be commingled with money from other sources. The board of trustees shall disburse the money in the fund to the schools within its district giving preference to the schools within the district that the district has classified as serving a significant proportion of pupils who are economically disadvantaged.

4. A school that receives money pursuant to subsection 3 shall expend the money only to purchase textbooks and laboratory equipment and to pay for field trips.

(Added to NRS by [1997, 1757](#))—(Substituted in revision for NRS 387.606)