

**ADOPTED REGULATION OF
THE STATE BOARD OF EDUCATION**

LCB File No. R075-14

Effective December 22, 2014

EXPLANATION – Matter in *italics* is new; matter in brackets ~~is material to be omitted~~ is material to be omitted.

AUTHORITY: §§1 and 2, NRS 392A.060.

A REGULATION relating to university schools for profoundly gifted pupils; making various changes to budget and finance regulations relating to such schools; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the State Board of Education to adopt regulations for university schools for profoundly gifted pupils. (NRS 392A.060)

Existing regulations prohibit a university school for profoundly gifted pupils from expending money, incurring any liability or entering into a contract which involves the expenditure of money in excess of the amounts appropriated for that function. Existing regulations also provide a limited exception for certain contracts for public works. (NAC 387.740) **Section 1** of this regulation eliminates the exception for public works for such a school but adds a new exception for capital projects.

Existing regulations set forth requirements for the budgeting and finance of university schools for profoundly gifted pupils. (NAC 387.600-387.780) One such requirement is that the governing body of each university school for profoundly gifted pupils must establish and maintain property and equipment records and inventory controls. (NAC 387.770) **Section 2** of this regulation requires that the records identify the source of the money used to purchase the property, equipment or inventory or the name of the person who donated the property, equipment or inventory.

Section 1. NAC 387.740 is hereby amended to read as follows:

387.740 1. No *governing body or member of a governing body of a* charter school or university school for profoundly gifted pupils ~~governing body or member thereof~~ may, during any fiscal year, expend or contract to expend any money or incur any liability, or enter into any

contract which by its terms involves the expenditure of money, in excess of the amounts appropriated for that function, other than medium-term obligation repayments and any other long-term contract expressly authorized by law.

2. Without limiting the generality of the exceptions contained in subsection 1, the provisions of this section specifically do not apply to:

(a) Contracts between a charter school ~~for university school for profoundly gifted pupils~~ and any person for the construction or completion of public works, money for which has been or will be provided by the proceeds of medium-term obligations or an installment-purchase agreement and that are entered into by the charter school ~~for university school for profoundly gifted pupils~~ after:

(1) Any approvals by any other governmental entity required to be obtained before the medium-term obligations or installment-purchase agreement can be issued have been obtained; and

(2) The ordinance or resolution that specifies each of the terms of the medium-term obligations or installment-purchase agreement has been adopted.

(b) *Contracts between a university school for profoundly gifted pupils and any person for the construction or completion of capital projects, money for which has been or will be provided by the proceeds of medium-term obligations or an installment-purchase agreement and that are entered into by the university school for profoundly gifted pupils after:*

(1) Any approvals by any other governmental entity required to be obtained before the medium-term obligations or installment-purchase agreement can be issued have been obtained; and

(2) The ordinance or resolution that specifies each of the terms of the medium-term obligations or installment-purchase agreement has been adopted.

(c) Contracts which are entered into by a charter school or university school for profoundly gifted pupils and delivered to any person solely for the purpose of acquiring supplies, services and equipment necessarily ordered in the current fiscal year for use in an ensuing fiscal year and which, under the method of accounting adopted by the charter school or university school for profoundly gifted pupils, will be charged against an appropriation of a subsequent fiscal year. Purchase orders evidencing such contracts are public records available for inspection by any person on demand.

~~(e)~~ (d) The receipt and proper expenditure of money received pursuant to a grant awarded by an agency of the Federal Government.

~~(d)~~ (e) The incurrence of obligations beyond the current fiscal year under a lease or contract for installment purchase which contains a provision that the obligation incurred thereby is extinguished by the failure of the governing body to appropriate money for the ensuing fiscal year for the payment of the amounts then due.

~~(e)~~ (f) The receipt by a charter school or university school for profoundly gifted pupils of increased revenue that:

(1) Was not anticipated in the preparation of the final budget of the charter school or university school for profoundly gifted pupils; and

(2) Is required by statute to be remitted to another governmental entity.

3. The fund balance of a governmental fund may not be used unless appropriated in a manner provided by law.

Sec. 2. NAC 387.770 is hereby amended to read as follows:

387.770 *1.* The governing body of each charter school and the governing body of each university school for profoundly gifted pupils shall:

~~11-1~~ *(a)* Cause to be established and maintained adequate property and equipment records and, where appropriate, adequate inventory controls. Each charter school and each university school for profoundly gifted pupils shall establish such records and controls within 1 year after its creation unless the Department grants an extension of time.

~~12-1~~ *(b)* Require that all such property, equipment and inventory records clearly indicate specific ownership.

~~13-1~~ *(c)* Designate, by entry in the minutes of the governing body, the officer, employee or officers or employees responsible for the maintenance of property and equipment records and, where appropriate, inventory records, and notify the Department of such designation.

2. Records established and maintained by the governing body of a university school for profoundly gifted pupils pursuant to subsection 1 must identify the:

(a) Source of the money used to purchase the property, equipment or inventory; or

(b) Person who donated the property, equipment or inventory.