

Chapter 386 of NAC

LCB File No. T043-05

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

**Filed with the Secretary of State on May 18, 2005.**

**NAC 386.140 Application to form charter school: Inclusion of information regarding facility, personnel and equipment.** (NRS 386.520, 386.540) In addition to the items required pursuant to subsection 2 of NRS 386.520, an application submitted to the Department pursuant to that subsection by a committee to form a charter school must also include certain information regarding the facility, personnel and equipment of the proposed charter school, including, without limitation:

1. The name of the proposed charter school.
2. If the facility that the charter school will occupy exists at the time of application and is suitable for use by the charter school, but is not owned by the school district in which the charter school will be located:
  - (a) The address of the charter school;
  - (b) The type of facility that the charter school will occupy;
  - (c) A floor plan of the facility that the charter school will occupy, including a notation of the size of the facility which is set forth in square feet;
  - (d) The name and address of the owner of the facility that the charter school will occupy;
  - (e) If the facility that the charter school will occupy will be leased or rented, a copy of the proposed lease or rental agreement;
  - (f) If available at the time that the application is submitted, a copy of the certificate of occupancy for the facility; and
  - (g) Documentation which demonstrates that the proposed sponsor of the charter school is satisfied with the type and amount of insurance or other means that will be used to indemnify the sponsor against financial loss pursuant to paragraph (l) of subsection 1 of NRS 386.550. *The following types of insurance must be obtained by the proposed charter school for at least the following minimum limit amounts:*

1. *Workers' compensation, statutory limits*
2. *General liability insurance including the sponsor as additional insured, \$1,000,000. The general liability insurance policy shall include coverage for sexual abuse/molestation, and sports/athletic participation. The general liability insurance policy shall have a Broad Form Named Insured including trustees, board members, employees, volunteers, directors, executive directors, and former, present and future employees*
3. *Umbrella liability, \$10,000,000*
4. *Educators legal liability, \$1,000,000*
5. *Employment practices liability, \$1,000,000*
6. *Employment benefits liability, \$1,000,000*
7. *School board errors and omissions, \$1,000,000*

**8. Automobile liability, \$1,000,000**

***The cost of the insurance must be provided to the proposed sponsor by the insurance provider, and included in the budget that is submitted pursuant to NAC 386.180(4).***

3. If the facility that the charter school will occupy is, at the time of application, being used as a public school, the name and location of that school and documentation which sets forth the specific days and times during which the charter school is authorized to use the facility.

***Documentation which demonstrates that the proposed sponsor of the charter school is satisfied with the type and amount of insurance or other means that will be used to indemnify the sponsor against financial loss pursuant to paragraph (1) of subsection 1 of NRS 386.550 must be submitted with the application. The following types of insurance must be obtained by the proposed charter school, for at least the following minimum limit amounts:***

***1. Workers' compensation, statutory limits***

***2. General liability insurance including the sponsor as additional insured, \$1,000,000.***

***The general liability insurance policy shall include coverage for sexual abuse/molestation, and sports/athletic participation. The general liability insurance policy shall have a Broad Form Named Insured including trustees, board members, employees, volunteers, directors, executive directors, and former, present and future employees***

***3. Umbrella liability, \$10,000,000***

***4. Educators legal liability, \$1,000,000***

***5. Employment practices liability, \$1,000,000***

***6. Employment benefits liability, \$1,000,000***

***7. School board errors and omissions, \$1,000,000***

***8. Automobile liability, \$1,000,000.***

***The cost of the insurance must be provided to the proposed sponsor by the insurance provider, and included in the budget that is submitted pursuant to NAC 386.180(4).***

4. If the proposed charter school has not obtained a suitable facility, personnel or equipment:

(a) A statement in writing describing why the proposed charter school has not obtained a suitable facility, personnel or equipment;

(b) A plan for obtaining a suitable facility, personnel or equipment, including, without limitation, as applicable:

(1) A statement in writing that explains whether an existing facility will be remodeled or a new facility will be built; and

(2) A schedule for completing or obtaining a suitable facility, personnel and equipment, including, without limitation, if applicable, a description of and time schedule for any plan to raise funds for completing or obtaining the facility, personnel and equipment;

(c) The date on which it is anticipated that the charter school will open;

(d) A description of the equipment that will be used at the charter school, including, without limitation:

(1) Office furniture and equipment;

(2) Computer equipment;

(3) Musical instruments;

(4) Equipment to be used in a machinery shop; and

(5) Supplies and other items necessary for the use of equipment described in this paragraph; and

(e) If applicable, evidence in writing that the acceptance of the application by the proposed sponsor of the charter school is necessary to obtain a facility, equipment or personnel.

*(f) A written estimate of insurance cost provided by a qualified insurance provider. The cost must be included in the budget that is submitted pursuant to NAC 386.180(4). The estimated cost must be for the following types and minimum limit amounts of insurance:*

- 1. Workers' compensation, statutory limits*
- 2. General liability insurance including the sponsor as additional insured, \$1,000,000.*

*The general liability insurance policy shall include coverage for sexual abuse/molestation, and sports/athletic participation. The general liability insurance policy shall have a Broad Form Named Insured including trustees, board members, employees, volunteers, directors, executive directors, and former, present and future employees*

- 3. Umbrella liability, \$10,000,000*
- 4. Educators legal liability, \$1,000,000*
- 5. Employment practices liability, \$1,000,000*
- 6. Employment benefits liability, \$1,000,000*
- 7. School board errors and omissions, \$1,000,000*
- 8. Automobile liability, \$1,000,000.*

**NAC 386.355 Apportionment of funding: Count of pupils; prerequisite.** (NRS 386.540, 386.570)

1. The count day for a charter school is the same as the count day for the school district in which the charter school is located and is the last day of the first school month of that school district.

2. To receive apportionments from the State Distributive School Account, a charter school must have pupils enrolled and attending school and account for at least 20 school days in the first school month, which may include days on which class is not in session, including, without limitation, ~~Legal holidays,~~ in-service days and conference days for teachers.

3. If an individual pupil is enrolled and attending a charter school at least 1 school day before the count day, that pupil will be counted.

**NOTICE OF ADOPTION OF TEMPORARY REGULATION**  
**LCB File No. T043-05**

The State Board of Education adopted temporary regulations assigned LCB File No. T043-05 which pertain to chapter 386 of the Nevada Administrative Code on March 19, 2005.

**Notice date:** 2/11/2005  
**Hearing date:** 3/19/2005

**Date of adoption by agency:** 3/19/2005  
**Filing date:** 5/18/2005

**INFORMATIONAL STATEMENT**

**1. A description of how public comment was solicited, a summary of public response, and explanation how other interested persons may obtain a copy of the summary.**

Notice of Workshop to Solicit Comments on Proposed Regulations was sent to approximately 150 individuals and educational organizations. One workshop was held on March 19, 2005. There were two comments from the public.

The Notice of Intent to Act Upon a Regulation for public hearing and adoption of the proposed revisions to NAC 386.140 and NAC 386.355 was sent to approximately 150 individuals and educational organizations. The public hearing was conducted on March 19, 2005, to provide the opportunity for comments by affected parties and the public. There were no comments from the public. The Board adopted the proposed regulation.

**2. The Number of Persons Who:**

- a) **Attended Each Hearing:** Workshop: 8 Regular meeting: 8  
b) **Testified at Each Hearing;** Workshop: 2 Regular meeting: 1  
c) **Submitted Written Statements:** Workshop: 0 Regular meeting: 0

A copy of any written comments may be obtained by contacting Nita Barnes, Administrative Assistant to the Nevada State Board of Education, at the Department of Education (775) 687-9225, or by writing to the Department of Education at 700 East Fifth Street, Carson City, Nevada 89701-5096.

**3. A description of how comment was solicited from affected businesses, a summary of the response and an explanation how other interested parties may obtain a copy of the summary.**

Comments were solicited through the workshop notice of February 11, 2005, and the public hearing notice of February 11, 2005. At the March 19, 2005 Workshop to Solicit Comments there were two public comments to the proposed language revisions. At the March 19, 2005 Public Hearing there was one public comment to the proposed language.

Mr. Bill Arensdorf, Director of Fiscal Accountability, reported the need for deleting legal holidays as part of monthly school days and adding minimum amounts required for insurance for Charter Schools.

Dr. Dottie Merrill, Assistant Superintendent of Washoe County School District, commented on the need for a Charter School to hold enough insurance to indemnify the sponsor against financial loss. Dr. Merrill also reported that neither Carson City nor Churchill County have had action by their Board of Trustees to withdraw their application.

Ricci Rodriquez-Elkins, Executive Director for Charter School Development, testified in favor of these insurance revisions even though it will be a financial burden for charter schools.

A copy of the summary and/or minutes of the public hearing may be obtained by contacting Nita Barnes, Administrative Assistant to the Nevada State Board of Education, Nevada Department of Education, 775-687-9225, or by writing to the Nevada Department of Education at 700 East Fifth Street, Carson City, Nevada 89701-5096.

**4. If the regulation was adopted with or without change to any part of the proposed regulation, a summary of the reasons for adopting.**

The Nevada State Board of Education adopted the proposed regulation language at the public hearing held March 19, 2005. The reason for adopting the changes to regulations NAC 386.140 and NAC 386.355 is to delete legal holidays from the count of school days in session and charter school developers need to be apprised of the requirements for insurance.

**5. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:**

There is no anticipated economic effect of the regulation changes on the business that the agency regulates and there are no known adverse effects. There are no beneficial, immediate or long term economic effects on the state, school districts, and schools.

**6. The estimated cost to the agency for enforcement of the adopted regulation.**

There is no additional cost to the agency for enforcement of this regulation.

**7. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

No other state or governmental agency regulations will be overlapped or duplicated by the above noted regulations. There is no duplication or overlap of federal regulations.

- 8. If the regulation includes provisions which are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.**

There are none.

- 9. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.**

This regulation does not provide or involve a new fee.