Chapter 386 of NAC

LCB File No. T007-09

ADOPTED TEMPORARY REGULATION OF THE STATE BOARD OF EDUCATION

Filed with the Secretary of State on February 3, 2009

NAC 386.020 "Charter school" defined. (NRS 386.540) "Charter school" means a public school that is formed pursuant to NRS 386.500 to 386.610, inclusive, and NAC 386.010 to 386.415, inclusive. *A "charter school" is a local government as defined by NRS 354.474(1)(a)*.

NAC 386.240 Issuance of written charter to applicant not prepared to commence operation on date of issuance; expiration, effect and contents of charter; supplemental application. (NRS 386.527, 386.540)

- 1. The board of trustees of a school district or the State Board of Education may issue a written charter pursuant to subsection 7 of NRS 386.527 if the board of trustees or State Board, as applicable, determines that the applicant is not prepared to commence operation on the date of issuance of the written charter. [Except as otherwise provided in this subsection, a] A written charter issued pursuant to subsection 7 of NRS 386.527 expires [1 year after the date of issuance and is nonrenewable. A written charter issued pursuant to subsection 7 of NRS 386.527 to a charter school that is dedicated to providing educational programs and opportunities for pupils who are at risk expires 2 years after the date of issuance and is nonrenewable] June 30 of the second fiscal year after the fiscal year in which the subsection 7 charter was approved. It may be renewed by the sponsor with cause for no more than one additional fiscal year. If a written charter is issued pursuant to subsection 7 of NRS 386.527, a governing body must be selected and the provisions of NRS 386.549 and NAC 386.345 apply to the governing body.
 - 2. A written charter issued pursuant to subsection 7 of NRS 386.527 must include:
- (a) A notation indicating the date on which the charter expires and indicating that the charter is nonrenewable;
- (b) Each reason why the charter school is not prepared to commence operation on the date of issuance of the charter;
- (c) The conditions that the governing body of the charter school must satisfy to convert the written charter issued pursuant to subsection 7 of NRS 386.527 to a written charter issued pursuant to subsection 5 of NRS 386.527;
- (d) The tasks that must be accomplished by the governing body of the charter school before it may submit a supplemental application to convert the written charter issued pursuant to subsection 7 of NRS 386.527 to a written charter issued pursuant to subsection 5 of NRS 386.527, including, without limitation, the timeline by which those tasks must be accomplished; and
 - (e) A statement by the governing body of the charter school indicating that it understands that:
- (1) To receive apportionments from the State Distributive School Account, the charter school must comply with NAC 386.355;

- (2) The governing body shall not authorize the attendance of pupils at the charter school unless the charter school has obtained a written charter issued pursuant to subsection 5 of NRS 386.527; and
- (3) The governing body must obtain the insurance required by NAC 386.215 before commencing operation as a charter school.
- 3. Before the expiration of a written charter issued pursuant to subsection 7 of NRS 386.527, the holder of the charter may submit a supplemental application to the sponsor requesting that the sponsor determine whether the charter school is eligible for a written charter issued pursuant to subsection 5 of NRS 386.527. The supplemental application must be submitted not less than 30 days before the expiration of the written charter issued pursuant to subsection 7 of NRS 386.527.

NAC 386.365 Reporting of data required for automated system of accountability information for Nevada. (NRS 386.540) A charter school shall report the data required pursuant to NRS 386.650 to:

- 1. The school district in which the charter school is located if the school district is the sponsor of the charter school; or
- 2. The Department of Education if the State Board of Education *or the Nevada System of Higher Education* is the sponsor of the charter school, not later than the first day of instruction of the [second] *initial* year of operation of the charter school.

NAC 386.370 Preparation of tentative budget; notice and public hearing; adoption of final [Final] budget. (NRS 386.540, 386.550)

- 1. The person designated by NRS 386.573 shall prepare, or the governing body shall cause to be prepared, on appropriate forms prescribed by the Department of Taxation for the use of local governments, a tentative budget for the ensuing fiscal year.
- 2. On or before April 15, a tentative budget for the following fiscal year must be submitted to the clerk or secretary of the governing body and a copy of the tentative budget must be submitted to the Department of Education.
- 3. At the time of submission of the tentative budget, the governing body shall give notice of the time and place of a public hearing on the tentative budget. The notice of public hearing must state:
 - (a) The time and place of the public hearing.
 - (b) That a tentative budget has been prepared in such detail.
- (c) The places where copies of the tentative budget are on file and available for public inspection.
 - 4. Budget hearings must be held during the second or third week in May.
- 5. At the time and place advertised for public hearing, or at any time and place to which the public hearing is from time to time adjourned, the governing body shall hold a public hearing on the tentative budget, at which time interested persons must be given an opportunity to be heard.
- 6. At the public hearing, the governing body shall indicate changes, if any, to be made in the tentative budget and shall adopt a final budget by the favorable votes of a majority of all members of the governing body. The final budget must be adopted on or before June 8 of each year. [Not later than May 1 of each year, the governing body of a charter school shall, at a public meeting adopt its final budget for the charter school for the ensuing fiscal year.

- 2. The final budget must be prepared on forms prescribed by the Department.
- 3.] 7. The governing body shall submit copies of the final budget to:
- (a) The Department;
- (b) The Legislative Counsel Bureau; and
- (c) The sponsor of the charter school *if different than the Department*.

NOTICE OF ADOPTION OF TEMPORARY REGULATION LCB File No. T007-09

The State Board of Education adopted temporary regulations assigned LCB File No. T007-09 which pertain to chapter 386 of the Nevada Administrative Code.

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 200 individuals and educational organizations. A workshop was held on December 5, 2008. There was no public comment.

The Notice of Intent to Act Upon a Regulation for public hearing and adoption of the amendments to NAC 386.020 – "Charter School" defined; NAC 386.240 – Issuance of Written Charter to Applicant Not Prepared to Commence operation on Date of Issuance; Expiration, Effect and Contents of Charter; Supplemental Application; NAC 386.365 – Report of data Required for Automated System of Accountability information for Nevada; and NAC 386.370- Final Budget NAC 389.670 – Credit for Specific Course Without Attending Classes. Public hearing was conducted on January 16, 2009 to provide the opportunity for comments by affected parties and the public. There was no public comment. The State Board of Education adopted the proposed amendments to the regulations.

- 2. The Number of Persons Who:
 - a) Attended Each Hearing: First Workshop: 20; First Hearing: 25; Second Hearing: N/A
 - b) Testified at Each Hearing: First Workshop: 0; First Hearing: 0; Second Hearing: N/A
 - c) Submitted Written Statements: First Workshop: 0; First Hearing: 0; Second Hearing: N/A

A copy of any written comments may be obtained by contacting Doris Arnold, Executive Assistant, Nevada Department of Education, 775-687-9217, or by writing to the Nevada Department of Education, 700 East Fifth Street, Carson City, Nevada 89701-5096.

3. A description of how comments were 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 November 17, 2008; and a public hearing notice of December 10, 2008. At the December 5, 2008 Workshop to Solicit Comments, there was public comment to the proposed amendments to the regulation language. At the January 16, 2009 public hearing there were no public comments to the proposed amendments to the regulation language.

Summary of Comments:

Workshop comments:

There were no public comments at the workshop.

Public Hearing comments:

There were no public hearing comments.

A copy of the summary and/or minutes of the public hearing may be obtained by contacting Doris Arnold, Executive Assistant, Nevada Department of Education, 775-687-9217, 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 amendments to the regulation language at the public hearing held January 16, 2009. The reason for adopting the amendments to these regulations is to clarify that a charter school regulations. The need and purpose of the proposed changes to NAC 389.670 regulation language is to clarify that a charter school is a local government entity. NAC 386.240 standardizes the issuance of a charter for an applicant not prepared to commence operation on the date of issuance of the charter. Currently, there were different periods of time depending on whether the school does or does not serve an "At-Risk" population. This change would standardize the time period for both types of charter schools. This change would also allow for a one-time extension if the applicant can show good cause. For NAC 386.365 proposed regulation language changes the requirements for implementation of the automated Student Accountability System (System of Accountability Information in Nevada or SAIN) from the second year to the initial year of operation of the charter school. This is necessary to allow for the automated collection of enrollment data for Count Day purposes and to eliminate the need for duplicative manual collection of this data. In order to obtain complete Count Day information, all charter schools and school districts must be able to report this information electronically. For NAC 386.370 proposed regulation language revises the requirements for the preparation of the Charter School budget to provide more clarity to the budget process and standardize the timeframes with school districts and other local governments.

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

For NAC 386.020 there is no economic effect on the Department of Education. There is no economic effect on the public or the business it regulates; NAC 386.240 there is no economic effect on the Department of Education. There are benefits to charter school

applicants by standardizing timelines and allowing for a one time extension for cause; NAC 386.365 there is no economic effect on the Department of Education. The fiscal impact on the charter schools is minimal since the charter schools are currently required to purchase and implement the automated student data system by the second year of operation. This change would require newly formed charter schools to incur this expense in their initial year of operations instead of the second year of operations; NAC 386.370 there is no economic effect of the Department of Education. There is minimal impact to the charter schools, as it provides additional time in which to prepare and adopt a final budget. Currently, a public hearing and final budget must be submitted by May 1. This change provides for these activities to occur by June 8.

There is no cost to the Department of education to adopt these regulations. There is no federal law affecting the proposed regulations. There is no duplication or overlap of state or local governmental agencies. The proposed regulations do not establish a new fee nor increase an existing fee of the regulating agency.

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

There is <u>no</u> additional cost to the agency for enforcement of this regulation.

7. A description of any regulations of other state or governmental 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 regulation. 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 for a new fee or increase an existing fee.