



Responsible Office: Office of Operations / Capital Projects and Facilities Management

BOARD POLICY 9405

CAPITAL FUNDING / BOND OVERSIGHT

PURPOSE

The Board of Trustees (Board) is committed to the responsible oversight of capital expenditures for the acquisition, construction, repair, and renovation of schools in the Washoe County School District (District). An oversight framework for capital funding for the acquisition, construction, repair, and renovation of schools and District facilities shall ensure the needs of the community and District are met. This policy and any associated documents shall establish this commitment.

POLICY

1. Guiding Principles

- a. In accordance with state law, the Board of Trustees may build, purchase or rent school facilities and/or enter into lease agreements for school facilities with an option to purchase the facilities.
- b. The Office of Capital Projects & Facilities Management shall provide capital planning (short and long range), design, construction management, and accountability of new construction, renovation, and repair projects for all planned, new, and existing school facilities.
- c. The Board will evaluate school facility needs annually using the three-year plan for the renovation of school facilities and a five-year plan for the construction of school facilities. A capital improvement plan will be developed to prioritize the District's capital improvement needs in order for available funding to be applied to the areas of greatest need first.
- d. Any change, in whole or in part, to Board Policy 9405 must be noticed on a public agenda with the following language contained within the agenda item, using similar type face: "NOTICE: This item reflects an intent to change the way the School District manages tax funds approved for the acquisition, construction, repair, and renovation of schools and District facilities."

2. Guiding Practices

a. Financial Considerations

i. General Obligation Bonds

1. The Board may take action to consider the issuance of general obligation bonds.
2. Upon such consideration by the Board, the District's Oversight Panel for School Facilities ("OPSF") and the Debt Management Commission shall be notified of the proposed issuance of general obligation bonds.
3. Upon approval by both the OPSF and the Debt Management Commission, the Board shall take final action for the issuance of general obligation bonds.

b. Oversight Panel for School Facilities (OPSF) and Capital Funding Protection Committee (CFPC)

i. The Board shall establish and maintain the OPSF, in accordance with Nevada state law (NRS 393.092). The OPSF shall:

1. Ensure public money is expended in an open deliberative process, the OPSF shall conduct its business in an open meeting and adhere to Nevada's Open Meeting Law, NRS Chapter 241.
2. Make recommendations to the Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature, written recommendations for financing the costs of new construction, design, maintenance and repair of school facilities (NRS 393.097); and
3. Review, approve, or disapprove a request by the Board for the issuance of general obligation bonds pursuant to NRS 350.020(4).

ii. Further, the Board of Trustees shall establish and maintain the Capital Funding Protection Committee ("CFPC") and delegates to this committee the following duties and responsibilities consistent with NRS 393.096:

1. Ensure public money is expended in an open deliberative process, the CFPC shall conduct its business in an open

meeting and adhere to Nevada's Open Meeting Law, NRS Chapter 241.

2. Work cooperatively with the Board to ensure the program of school construction and renovation is responsive to the educational needs of pupils within the school district, adopt plans for construction and renovation, and recommend those plans to the Board;
 3. Review annually, or upon request of the Superintendent, the three-year plan for the renovation of school facilities and the five-year plan for the construction of new school facilities submitted by the school district and make recommendations to the Board for any necessary revisions to the plans;
 4. Conduct, at a minimum, annual evaluations including compliance of the plan with program goals and make recommendations on revisions to capital improvement plans to the Board;
 5. Conduct, at a minimum, annual evaluations of the program of school construction and renovation that is designed to carry out the Capital Improvement Plan and make recommendations to the Board of Trustees concerning the Plan;
 6. Review any changes to a prototype design, development of custom designs for new schools, or substantial program changes to planned projects;
 7. Make recommendations for the management of construction and renovation of school facilities within the school district in a manner that ensures effective and efficient expenditure of public money; and
 8. Prepare an annual report that includes a summary of the progress of the construction and renovation of the school facilities within the school district and the expenditure of public money used for construction and renovation.
- iii. To support the work of the CFPC, the Board shall:
1. Have each recommendation made by the CFPC to the Board placed on the Board's agenda, but may not be placed on the Consent Agenda, and must be considered by the Board at an open public meeting of the Board;

2. Upon denial of a recommendation from the CFPC, state at a public meeting and in writing the reason for its decision;
 3. The written statement shall be included in the minutes of the Board meeting, and the recommendation and the Board decision will be sent back to the CFPC for re-consideration;
 4. At reconsideration, the CFPC will either take action to accept the Board's decision and reasons, or send the item back to the Board for re-consideration by the Board, or the CFPC will revise its recommendation for Board review;
 - a. If the CFPC accepts the Board's decision and reasons, then the item is considered approved;
 - b. If the CFPC does not accept the Board's decision and reasons, then CFPC will forward the recommendation to the Board for its reconsideration; and if the Board still denies the CFPC's recommendation, the Board must state at a public meeting the reason for the denial of the recommendation and place its reasons in a writing in the minutes of the record, and the item is considered approved based on the Board's decision and findings; or
 - c. If the CFPC revises the recommendation, the Board may either approve or follow sub-paragraph (4)(b), *immediately above*.
 5. Provide such administrative support to the CFPC as is necessary for the CFPC to carry out its duties; and
 6. Work cooperatively with the CFPC to ensure that the program of school construction and renovation is responsive to the educational needs of the students of the District.
- iv. The OPSF and CFPC shall consist of the same 11 voting members as follows:
1. Two members of the Washoe County Board of County Commissioners selected by the Washoe County Board of County Commissioners;
 2. Two members of the Reno City Council selected by the Reno City Council;

3. Two members of the Sparks City Council selected by the Sparks City Council;
4. Five members appointed by the Board of Trustees as follows:
 - a. One member who has experience in structural or civil engineering;
 - b. One member who has experience in matters relating to the construction of public works projects;
 - c. One member who has experience in the financing or estimation of the cost of construction projects;
 - d. One member who is a representative of the gaming industry; and
 - e. One member who is a representative of the general public who has an interest in education.

DEFINITIONS

1. Capital Renewal - fixing what is already in schools and classrooms, bringing them up to standards.
2. Renovation - complete refurbishment of learning environments. This includes making changes to and repairing older buildings so that they are as safe and secure as possible.
3. Technology and Infrastructure Upgrades - transitioning classrooms into up-to-date locales of learning, offering students and teachers the best technology possible given current funding.
4. Capital Improvement Plan - A Capital Improvement Plan (Program), or CIP, is a short-range plan, usually three to ten years, which identifies capital projects and equipment purchases, provides a planning schedule, and identifies options for financing the plan.

DESIRED OUTCOMES

1. Through this policy and the work of the OPSF and the CFPC, the Board shall:
 - a. Utilize a transparent and public system of oversight for school renovation and construction spending to ensure maximum accountability and efficiency.

- b. Establish and maintain open lines of communication between the Board and its constituents, as well as to keep the public informed of the status of the Capital Improvement Plan; and
- c. Endorse efforts to establish a stable source of capital projects funding to maintain safe and secure schools and to increase capacity to deal with enrollment growth.

IMPLEMENTATION GUIDELINES & ASSOCIATED DOCUMENTS

1. This policy reflects the goals of the District's Strategic Plan and aligns with the governing documents of the District, to include:
 - a. Board Policy 3100, Financial Services
 - b. Board Policy 7100, Capital Projects and Facilities Management
2. This policy complies with Nevada Revised Statutes (NRS) and Nevada Administrative Code (NAC) to include:
 - a. Chapter 350, Municipal Obligations
 - b. Chapter 387, Financial Support of School System, and specifically:
 - i. NRS 387.328, Financing of Construction of Schools and Other Projects: Establishment; purposes; accumulation of money for specified period; source; reversion prohibited; pledge of proceeds for payment on bonds.
 - c. Chapter 393, School Property, to include:
 - i. NRS 393.092, Oversight panel for school facilities; ...
 - ii. NRS 393.095, Oversight panel for school facilities: Duty of board of trustees to provide administrative support and information.
 - iii. NRS 393.096, Expanded duties

REVIEW AND REPORTING

1. This document shall be reviewed as part of the bi-annual review and reporting process, following each regular session of the Nevada Legislature. The Board of Trustees shall receive notification of any required changes to the policy as well as an audit of the accompanying governing documents.
2. Administrative regulations, and/or other associated documents, will be developed as necessary to implement this policy.

REVISION HISTORY

Date	Revision	Modification
4/05/2016	1.0	Adopted
6/20/2016	1.1	Revised: corrected grammatical error