



Compliance and Controls



KAFOURY, ARMSTRONG & CO.
A PROFESSIONAL CORPORATION
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS**

To the Board of Trustees
Clark County School District
Clark County, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Clark County School District, (the "District"), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 10, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
October 10, 2014



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

To the Board of Trustees of the
Clark County School District
Clark County, Nevada

Report on Compliance for Each Major Federal Program

We have audited Clark County School District's (the District's) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-

133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Kafoury, Armstrong & Co.

Las Vegas, Nevada
October 10, 2014

**CLARK COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

Page 1 of 5

Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
U.S. DEPARTMENT OF EDUCATION			
Title I, Part A Cluster			
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Title I - NCCAT-D Grant	84.010	14-624-02-000	\$ 30,000
Focus School Improvement - Title I	84.010	13-626-02-001	760,502
Title I - Part D, Subpart II (Neglected and Delinquent)	84.010	14-650-02000	569,545
Title I-A (Basic)	84.010	13-633-02000	111,648
Title I-A (Basic)	84.010	14-633-02000	81,530,479
Differentiated Consequences Grant Proposal	84.010	13-624-02-000	574,159
			<u>83,576,333</u>
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Title I: Part D Neglected & Delinquent Children - Correctional	84.013	13-630-02000	10,951
Title I: Part D Neglected & Delinquent Children- Correctional	84.013	14-630-02000	387,777
			<u>398,728</u>
Special Education Cluster (IDEA)			
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Educate Students with Disabilities (IDEA)	84.027	13-639-02000	2,625,520
Educate Students with Disabilities (IDEA)	84.027	14-639-02000	46,745,988
IDEA - District Improvement Grant Plan	84.027	14-641-02000	209,652
IDEA Special Project (ISPS)	84.027	13-667-02000	16
			<u>49,581,176</u>
Educate the Handicapped Child: Preschool	84.173	13-655-02000	54,227
Educate the Handicapped Child: Preschool	84.173	14-655-02000	1,345,638
			<u>1,399,865</u>
Total Special Education Cluster (IDEA)			<u>50,981,041</u>
DIRECT PROGRAM			
Impact Aid: Maintenance and Operations	84.041		137,110
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Carl D. Perkins Career and Technical Education (CTE) - Basic	84.048	13-631-02000	88,230
Carl D. Perkins Career and Technical Education (CTE) - Basic	84.048	14-631-02000	3,446,160
Carl D. Perkins Career and Technical Education (CTE) - Reserve	84.048	13-634-02000	445
Carl D. Perkins Career and Technical Education (CTE) - Reserve	84.048	14-634-02000	63,752
Carl D. Perkins Career and Technical Education (CTE) - Corrections	84.048	14-635-02000	39,097
			<u>3,637,684</u>
DIRECT PROGRAM			
Indian Education: Formula Grants to Local Schools	84.060	S060A120203	1,808
Indian Education: Formula Grants to Local Schools	84.060	S060A130203	163,357
			<u>165,165</u>
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Education for Homeless Children and Youth	84.196	13-688-02000	712
Education for Homeless Children and Youth	84.196	14-688-02000	107,207
			<u>107,919</u>
DIRECT PROGRAM			
FIE - Smaller Learning Communities	84.215	V215L042264	(994)
FIE - Highly Gifted (Gate Title V-D)	84.215	U215K100249	165,221
FIE - English Language Learners (ELL)	84.215	U215K100229	(7)
			<u>164,220</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

CLARK COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

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Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
21st Century Community Learning Centers	84.287	2013-2709-133	\$ 20,104
21st Century Community Learning Centers	84.287	2014-2709-133	116,068
21st Century Community Learning Centers	84.287	C.P. Squires	97,272
21st Century Community Learning Centers	84.287	2014-2709-134-(RBE)	82,012
21st Century Community Learning Centers	84.287	MCCALL	94,637
21st Century Community Learning Centers	84.287	2014-2709-136-(EEE)	108,912
21st Century Community Learning Centers	84.287	2013-2709-146-(LUNT)	(14)
21st Century Community Learning Centers	84.287	2014-2709-146-(LUNT)	91,833
21st Century Community Learning Centers	84.287	2013-2709-147-(JC)	1,473
21st Century Community Learning Centers	84.287	2014-2709-147-(JC)	84,616
21st Century Community Learning Centers	84.287	2013-2709-145-(RM)	32,375
21st Century Community Learning Centers	84.287	2013-2709-155 (FFG)	1,834
21st Century Community Learning Centers	84.287	2014-2709-155 (FFG)	63,595
21st Century Community Learning Centers	84.287	2013-2709-158 (WW)	1,445
21st Century Community Learning Centers	84.287	2014-2709-158 (WW)	77,187
21st Century Community Learning Centers	84.287	2013-2709-157 (MK)	23,752
21st Century Community Learning Centers	84.287	2014-2709-157 (MK)	81,226
21st Century Community Learning Centers	84.287	2013-2709-133	22,292
21st Century Community Learning Centers	84.287	2014-2709-133	99,144
21st Century Community Learning Centers	84.287	SEWELL ES	97,869
21st Century Community Learning Centers	84.287	21ST-DISTRICT INITIATIVE	370,737
21st Century Community Learning Centers	84.287	BROWN JHS	48,297
21st Century Community Learning Centers	84.287	ROUNDY ES	(40)
21st Century Community Learning Centers	84.287	ROWE ES	97,875
21st Century Community Learning Centers	84.287	HANCOCK ES	140,080
21st Century Community Learning Centers	84.287	MENDOZA	81,909
21st Century Community Learning Centers	84.287	WYNN ES	105,841
21st Century Community Learning Centers	84.287	CRAIG ES	83,730
21st Century Community Learning Centers	84.287	WILLIAMS ES	46,457
21st Century Community Learning Centers	84.287	2014-2709-157 (MK)	83,331
21st Century Community Learning Centers	84.287	WHITNEY ES	111,543
			<u>2,367,392</u>
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Project Improve	84.323	13-763-02000	6
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Advanced Placement Fee Payment Program	84.330	14-640-02-000	13,724
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Gear Up Program	84.334	13-610-02000	79,959
Gear Up Program	84.334	14-610-02000	870,078
			<u>950,037</u>
DIRECT PROGRAM			
Professional Development for Arts Educators (PDAE)	84.351	U351C120040	304,563
DIRECT PROGRAM			
High School Graduation Initiative Program	84.360	S360A100099	871,000
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Title III - English Language Acquisition	84.365	13-658-02000	196,796
Title III - English Language Acquisition	84.365	14-658-02000	7,706,827
			<u>7,903,623</u>
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Mathematics and Science Partnerships	84.366	14-706-02000	4,606
Mathematics and Science Partnerships	84.366	13-706-02000	182,739
Mathematics and Science Partnerships	84.366	12-706-02000	2,070
			<u>189,415</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**CLARK COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Improving Teacher Quality	84.367	13-709-02000	\$ 9,134
Improving Teacher Quality	84.367	14-709-02000	6,933,457
			<u>6,942,591</u>
PASS THROUGH PROGRAMS FROM UNIVERSITY OF LAS VEGAS			
Improving Teacher Quality	84.367	13-740Y-A-00	56,136
Improving Teacher Quality	84.367	12-728L-A-00	14,391
Improving Teacher Quality	84.367	12-728Y-A-00	6,351
Improving Teacher Quality	84.367	12-728M-A-00	7,064
Improving Teacher Quality	84.367	13-742C-A-00	27,691
			<u>111,633</u>
Total Improving Teacher Quality			<u>7,054,224</u>
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Striving Readers Comprehensive Literacy District	84.371	13-657-020001 TO 020005	2,524,361
Striving Readers Comprehensive Literacy District	84.371	14-642-020001 TO 020005	4,815,826
			<u>7,340,187</u>
School Improvement Grants Cluster			
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Title 1 1003(g) School Improvement Plan	84.377	14-623-02-003	45,576
Title 1 1003(g) School Improvement Plan	84.377	14-623-02-000	252,882
Title 1 1003(g) School Improvement Plan	84.377	13-623-02-002	210,520
Title 1 1003(g) School Improvement Plan	84.377	14-623-02-002	797,028
Title 1 1003(g) School Improvement Plan	84.377	13-623-02-001	276,321
Title 1 1003(g) School Improvement Plan	84.377	14-623-02-001	2,344,159
			<u>3,926,486</u>
ARRA - Title I School Improvement Grant (SIG) - Sec. 1003 (g)	84.388	13-743-02-000	<u>324,407</u>
Total School Improvement Grants Cluster			<u>4,250,893</u>
DIRECT PROGRAM			
Investing in Innovation (i3) Fund	84.411	U411C120052	505,781
Total U.S. Department of Education			<u>170,919,045</u>
U.S. DEPARTMENT OF AGRICULTURE			
Child Nutrition Cluster			
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA			
DEPARTMENT OF EDUCATION			
Federal School Breakfast	10.553		20,252,452
Federal School Lunch - Cash	10.555		70,276,870
Federal School Lunch - Commodity	10.555		6,929,749
Federal Pass-through	10.555		748,702
			<u>77,955,321</u>
Total Child Nutrition Cluster			<u>98,207,773</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

CLARK COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
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Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
Forest Service Schools and Roads Cluster: Secure Rural Community Self Determination Act of 2000	10.666		\$ 100,318
Total U.S. Department of Agriculture			<u>98,308,091</u>
U.S. DEPARTMENT OF INTERIOR			
DIRECT PROGRAM Indian Education Assistance - J. OMalley Supplement	15.130	A12AV00669	14,400
Total U.S. Department of Interior			<u>14,400</u>
U.S. DEPARTMENT OF JUSTICE			
DIRECT PROGRAM Community Oriented Policing Services (COPS SOS)	16.710	2011CKWX0092	61,250
Community Oriented Policing Services (COPS SOS)	16.710	2010CKWX0729	139,836
			<u>201,086</u>
Total U.S. Department of Justice			<u>201,086</u>
U.S. DEPARTMENT OF LABOR			
WIA Cluster			
PASS THROUGH PROGRAMS FROM SOUTHERN NEVADA WORKFORCE INVESTMENT BOARD WIA Youth Activities	17.259	11-WIA-YR-YOUTH-CCSD/DR-	<u>92,550</u>
Total WIA Cluster			<u>92,550</u>
PASS THROUGH PROGRAMS FROM SOUTHERN NEVADA WORKFORCE INVESTMENT BOARD ARRA - Youthbuild Program	17.274	SNWIB-YOUTHBUILD PROGRAM	61,935
Total U.S. Department of Labor			<u>154,485</u>
U.S. DEPARTMENT OF TRANSPORTATION			
Highway Planning and Construction Cluster			
PASS THROUGH PROGRAMS FROM NEVADA DEPARTMENT OF TRANSPORTATION Safe Routes to School	20.205	P521-12-802	96,761
Total U.S. Department of Transportation			<u>96,761</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
PASS THROUGH PROGRAMS FROM THE STATE OF NEVADA DEPARTMENT OF EDUCATION Refugee School Impact Aid Grant	93.576	13-722-02000	11,442
Refugee School Impact Aid Grant	93.576	14-722-02000	82,417
			<u>93,859</u>
PASS THROUGH PROGRAMS FROM SOUTHERN NEVADA HEALTH DISTRICT ARRA - Communities Putting Prevention to Work	93.724	PREVENTION FIRST	7,693
DIRECT PROGRAM Community Transformation Grant (CDC-CTG-PPHF)	93.737	1H75DP004286-01	1,295,623
PASS THROUGH PROGRAM FROM NEVADA STATE HEALTH DIVISION School Nurse Strike Team	93.889	ASPR10-11A	6

See accompanying notes to Schedule of Expenditures of Federal Awards.

CLARK COUNTY SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014
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Federal Grantor / Pass-Through Grantor / Program	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
PASS THROUGH PROGRAM FROM PACT COALITION FOR SAFE AND DRUG FREE COMMUNITIES			
PACT-Substance Abuse Prevention Agency (SAPTA)	93.959	BI NVSAPT	\$ 115,775
Total U.S. Department of Health and Human Services			<u>1,512,956</u>
U.S. DEPARTMENT OF HOMELAND SECURITY			
PASS THROUGH PROGRAM FROM NEVADA DIVISION OF EMERGENCY MANAGEMENT			
Nevada Homeland Security- FFY13 HSGP	97.067	COPS	164,000
Total U.S. Department of Homeland Security			<u>164,000</u>
Total Federal Financial Assistance			<u>\$ 271,370,824</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**CLARK COUNTY SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

(1) Reporting Entity

The accompanying schedule of expenditures of federal awards presents the expenditure activity of all federal awards programs of the Clark County School District (the "District") for the year ended June 30, 2014. The District's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

(2) Basis of Accounting

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of the National School Lunch Program – Commodities program represent the fair value of commodity food received by the District.

(3) Relationship to Basic Financial Statements

Expenditures of federal awards have been included in the individual funds of the District as follows:

General Fund	\$ 237,428
Special Revenue Fund - Federal Projects	172,925,623
Enterprise Fund - Food Service	<u>98,207,773</u>
Total	<u>\$ 271,370,824</u>

**CLARK COUNTY SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None
Noncompliance material to financial statements noted	No

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	No
Identification of major programs:	

<i>CFDA Number</i>	<i>Name of Federal Program or Cluster</i>
84.010	Title I
84.027/84.173	Special Education Cluster
84.287	21 st Century Community Learning Centers
93.737	Community Transformation Grant

Dollar threshold used to distinguish between type A and type B programs:	\$ 3,000,000
Auditee qualified as low-risk auditee?	Yes

Section II – Financial Statement Findings

There were no current year findings.

Section III – Federal Award Findings and Questioned Costs

There were no current year findings.

**CLARK COUNTY SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

There were no prior year findings.

**CLARK COUNTY SCHOOL DISTRICT
AUDITOR'S COMMENTS
JUNE 30, 2014**

CURRENT YEAR STATUTE COMPLIANCE

The Clark County School District conformed to all significant statutory constraints on its financial administration during the year except for those items identified in Note 11 of the accompanying financial statements.

PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE

The District monitored all significant constraints during the year ended June 30, 2014.

PRIOR YEAR RECOMMENDATIONS

We noted no material weakness and no significant deficiency in internal controls.

CURRENT YEAR RECOMMENDATIONS

We noted no material weakness and no significant deficiency in internal controls.

NEVADA REVISED STATUTE 354.6113

The financial statements of the Bond Fund (a capital projects fund) are located in this report at Schedule A-8.

As noted above, compliance with Nevada Revised Statutes is contained in Note 11 to the financial statements.

NEVADA REVISED STATUTE 354.6115

A fund was created in accordance with Nevada Revised Statute 354.6115, "Fund to stabilize operations of local government and mitigate effects of natural disaster". However, the fund is inactive and had no fund balance at any time during the year. In future periods, funds may be deposited and/or accumulated in the Fund for Budget Stabilization if in any year general fund revenues have exceeded appropriated expenditure levels and the ending fund balance is not less than 2 percent of total general fund revenues as required by District Regulation 3110.