

MINUTES
CLARK COUNTY SCHOOL DISTRICT
SPECIAL MEETING OF THE BOARD OF SCHOOL TRUSTEES
EDWARD A. GREER EDUCATION CENTER, BOARD ROOM
2832 E. FLAMINGO ROAD, LAS VEGAS, NV 89121

JOINT MEETING WITH THE AUDIT ADVISORY COMMITTEE

Thursday, November 10, 2016

3:02 p.m.

Roll Call: Members Present

Linda E. Young, President
Chris Garvey, Vice President
Erin Cranor, Member
Patrice Tew, Member

Members Absent

Deanna L. Wright, Clerk
Kevin L. Child, Member
Carolyn Edwards, Member

Roll Call: Members Present

Patrick Patin, Chairman
Colleen Boyle, Member
Patricia Morris, Member
Joshua Robinson
B. Keith Rogers, Member

Kevin L. Child, Board Liaison
Pat Skorkowsky, Superintendent of Schools

Also present were: Mary-Anne Miller, Board Counsel, District Attorney's Office; Carlos McDade, General Counsel, Office of the General Counsel; Nicole Thorn, Deputy Chief Financial Officer, Business and Finance Division; Joe Caruso, Deputy Chief of Staff/Liaison to the Board, Office of the Superintendent; Elizabeth Carrero, Executive Manager, Office of the Superintendent; Cindy Krohn, Executive Assistant to the Board, Board Office; Lisa Chrapcynski, Administrative Secretary II, Board Office; and Tamara Miramontes, CPA, Engagement Partner, Eide Bailly LLP.

ANNOUNCEMENT

Trustee Young noted that Trustee Wright and Trustee Child were in China.

ADOPT AGENDA

Adopt agenda, except note additional reference material provided for Item 3.01 and note revised agenda item and reference material provided for Item 3.04.

Motion: Garvey Second: Tew Vote: Unanimous

ADOPT AGENDA

Adopt agenda with the changes noted by Trustee Garvey.

Motion: Rogers Second: Robinson Vote: Unanimous

Ms. Morris was not present for the vote.

PUBLIC COMMENT PERIOD

Scott Angelo (phonetic) stated that he is pleased with his son's academic achievement as a CCSD student. He shared an article posted on DelSolNews.com titled "Principal Bullies Student Over Accusation of Pedophile Teacher" dated November 9, 2016.

COMMITTEE MEMBER ARRIVES

Ms. Morris arrived at the Joint Board and Audit Advisory Committee meeting at 3:15 p.m.

PRESENTATION OF THE ANNUAL INDEPENDENT AUDITOR'S REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Presentation and discussion of the annual Independent Auditor's Report for the Fiscal Year Ended June 30, 2016, by representatives from Eide Bailly LLP.

Ms. Miramontes presented a summary of the following reports as shown in Item 3.01 1A: Independent Auditor's Report for the fiscal year ended June 30, 2016; Government Auditing Standards Report; Uniform Guidance; Schedule of Expenditures of Federal Awards (SEFA); and Auditor's Comments.

Trustee Young questioned the last sentence on page 5 of 18 in Reference 3.01 1A.

Ms. Miramontes stated that language is standard report terminology because all areas of transactions and controls are not audited.

Trustee Tew asked who determines what areas are tested.

Ms. Miramontes stated it is the external audit team who decides what areas are tested.

Mr. Patin added for clarification that the procedures performed by the external auditors are not necessarily for determining whether or not there are material weaknesses throughout the organization but for the purpose of making an opinion on the organization's financial statements.

Trustee Cranor thanked the Committee members for volunteering their time and for their commitment.

Trustee Young expressed appreciation for the Committee members' work, as well as that of Ms. Thorn and Ms. Miramontes.

PRESENTATION OF THE ANNUAL INDEPENDENT AUDITOR'S REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2016 (continued)

Ms. Thorn went through the Comprehensive Annual Financial Report (CAFR), Item 3.01 B, and briefly highlighted some items of general interest in the document; specifically, the Letter of Transmittal; Management's Discussion and Analysis (MD&A); Basic Financial Statements, Note 8 – General Obligation Bonds Payable; General Fund Comparative Balance Sheets; Schedule of Revenues, Expenditures, and Changes in Fund Balance; Statistical Section – Principal Property Tax Payers, Legal Debt Margin; Demographic and Economic Statistics, Principal Employers in Clark County; District Employees by Function/Program, Cost Per Student, and Teacher Salaries.

Ms. Thorn said the Board has also been given the Popular Annual Financial Report (PAFR), which is a snapshot of the information that is in the CAFR. She noted that the questions submitted by the Audit Advisory Committee members and the answers to those questions are provided as Additional Reference 3.01 C.

Mr. Patin thanked the Board and acknowledged the CCSD Business and Finance Department, the external auditors at Eide Bailly, and CCSD Internal Audit Department for their work.

APPROVE INDEPENDENT AUDITOR'S NARRATIVE REPORT OF RECOMMENDATIONS, AND DISTRICT RESPONSES TO RECOMMENDATIONS, FOR THE FISCAL YEAR ENDED JUNE 30, 2016, AND INDEPENDENT AUDITOR'S STATEMENTS, ON NEVADA REVISED STATUTES COMPLIANCE

Approval to accept the District's responses to the independent auditor's recommendations for the fiscal year ended June 30, 2016, with the written narrative and responses being incorporated by reference into the minutes of this meeting, and with the entire report being transmitted and filed as required in NRS 354.624; and approval to accept the independent auditor's statements on NRS compliance for the fiscal year ended June 30, 2016, including the necessary corrective actions, if any, with the statements being transmitted and filed, as required in NRS 354.6245, as recommended in Reference 3.02.

Superintendent Skorkowsky explained that the information in this report has been presented in the previous agenda items and requested that the Board accept this report through a vote.

Motion to approve the District's responses to the independent auditor's recommendations for the fiscal year ended June 30, 2016, with the written narrative and responses being incorporated by reference into the minutes of this meeting, and with the entire report being transmitted and filed as required in NRS 354.624; and approval to accept the independent auditor's statement on NRS compliance for the fiscal year ended June 30, 2016, including the necessary corrective actions, if any, with the statements being transmitted and filed as required in NRS 354.6245.

Motion: Cranor Second: Garvey Vote: Unanimous

PUBLIC COMMENT PERIOD

None.

ADJOURN

The Audit Advisory Committee adjourned their meeting at 4:12 p.m. as follows:

Motion: Rogers Second: Morris Vote: Unanimous

APPROVE 2015-2016 RECAP OF BUDGET APPROPRIATION TRANSFERS

Approval to include the Recap of Budget Appropriation Transfers between governmental functions for the period beginning July 1, 2015, through June 30, 2016, in the official Board minutes, as recommended in Reference 3.03.

Motion to accept.

Motion: Cranor Second: Garvey Vote: Unanimous

APPROVE BUDGET REVIEW

Approval of assumptions and conditions for the development of the 2016-2017 Revised Amended Final Budget, as recommended in Reference 3.04

Ms. Thorn presented a Preview to Amended Final Budget – Fiscal Year 2016-2017 as shown in Reference 3.04.

PUBLIC COMMENT PERIOD

None.

ADJOURN: 4:31 p.m.

Motion: Garvey Second: Tew Vote: Unanimous